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## Strategic Economic Infrastructure

### 1. Introduction

- 1.1. This note provides an update on the progress of a number of strategic and local transport infrastructure projects reported previously to Team East Sussex.

### 2. Strategic Road Network (SRN)

#### A27 smaller scale interventions

- 2.1 Highways England (HE) announced a package of smaller scale interventions for the A27 east of Lewes in Sep 2017 following the inclusion of the scheme in the Government's Roads Investment Strategy 2015–20.
- 2.2 Since then HE has been progressing the designs for these interventions. A series of public information exhibitions were held in early Mar 2019 on two of the interventions – capacity improvements at Polegate comprising two lanes in both directions from Cophall to an enhanced A27/A2270 traffic signal junction, and improved capacity at Drusillas roundabout. Further exhibitions on the other interventions – safety improvements at Wilmington crossroads, new shared use path along the A27, a new path from Drusillas to Berwick station, new/upgraded crossings at Wilmington, Selmeston and Firle – were held in late Jul 2019.
- 2.3 Construction on the first tranche of smaller scale improvements is programmed to start in Mar 2020; construction of Berwick roundabout is expected to start first. Further information on the package of smaller scale interventions is available at [www.highwaysengland.co.uk/projects/a27-east-of-lewes](http://www.highwaysengland.co.uk/projects/a27-east-of-lewes).

#### A27 East of Lewes Study

- 2.4 Although the smaller scale improvements address some of the existing issues on the A27 between Lewes and Polegate in the short to medium term, they don't address these and future issues in the long term, particularly with significant housing and employment growth planned in the South Wealden area. Accordingly, funding from the Roads Investment Strategy (RIS) allocation was secured in May 2017 by the A27 Reference Group, which comprises local MPs, local authority leaders and the LEPs, for a study to look at a new dual carriageway route between Lewes and Polegate. The HE-commissioned study looking at these potential new route options was completed in May 2018.
- 2.5 The study, which was an early stage investigation, recognised that there is a strong strategic case for an off-line improvement between Lewes and Polegate to address current problems and to facilitate housing and economic growth in the area. It identified that all the route options considered would bring significant economic benefits outweighing the dis-benefits.
- 2.6 The outcomes of the final study are being considered by the Department for Transport (DfT) as part of the development of HE's Roads Investment Strategy 2 (RIS2). The second RIS, which is expected to be published following the Dec 2019 general election, will set out investment that Government will be making in the Strategic Road network (SRN) and that HE will be expected to deliver during the second road period between 2020 and 2025, as well as the strategic vision for the future of the SRN looking towards 2050.

## A21

- 2.7 In addition to the A27, improvements to the A21 Kippings Cross to Lamberhurst, Flimwell and Hurst Green sections were identified in our submission to Government on what should be priorities for HE's second Roads Investment Strategy. As highlighted above, we are expecting the second RIS to be published following the Dec 2019 general election.

### **3. Major Road Network (MRN)**

- 3.1 Following a Government consultation in early 2018, Government announced its final Major Road Network (MRN) in Dec 2018.
- 3.2 The MRN comprises the most economically important 'A' class local authority managed roads, sitting between the HE-managed Strategic Road Network (SRN) and the local road network.
- 3.3 In East Sussex the following roads have been included in the MRN:
- A22 Eastbourne to Forest Row (including Golden Jubilee Way);
  - A26 Lewes to edge of Tunbridge Wells;
  - A259 Eastbourne to county boundary with Brighton & Hove;
  - A272 edge of Haywards Heath to Maresfield;
  - A259 Glyne Gap to Batchelors Bump; A21 Baldslow to Hastings seafront and A2102 Silverhill to St Leonards seafront (Hastings);
  - A2270/A2021 Polegate to Eastbourne town centre; A2280 Cross Levels Way and A2290 Lottbridge Drove (Eastbourne/South Wealden).
- 3.4 Funding is available for the MRN through the National Roads Fund from the early 2020s and DfT guidance identifies the types of schemes that are eligible for funding:
- Bypasses or new alignments;
  - Missing Links between existing stretches of the MRN or SRN;
  - Widening of existing MRN roads;
  - Major structural renewals on roads, bridges, tunnels and viaducts on MRN roads;
  - Major junction improvements (e.g. grade separation);
  - VMS, traffic management and the use of smart technology and data to raise network performance;
  - Packages of improvements which may include elements of safety, widening, junction improvements and new alignment.
- 3.5 DfT will provide funding between £20m and £50m, although the lower threshold will not be applied rigidly, and there is an expectation of a local contribution of at least 15% towards the scheme.
- 3.6 Transport for the South East (TfSE) was asked to coordinate with its constituent local transport authorities on potential MRN schemes across their geography that could come forward as 'early entry' MRN schemes, commencing before Apr 2023 or for delivery between 2023 and 2025. TfSE has assessed all the schemes put forward across their geography against the MRN criteria as set out by the DfT, as well as TfSE's strategic objectives for the region which focus on sustainable economic growth, improved quality of life and the environment. Following this assessment TfSE has identified the A22 Corridor Package and A259 South Coast Road Corridor as two of their ten priority MRN schemes for submission to Government.

#### A22 Corridor Package

- 3.7 East Sussex has developed a £35m outline business case, including a 15% local contribution from development contributions and CIL monies, relating to a package of junction improvements on the A22 Corridor in South Wealden. This is an early entry MRN scheme for commencement before Apr 2023.
- 3.8 This package of improvements has been identified in the Wealden Local Transport Plan Study (2018) as infrastructure required to support the current and planned housing and employment growth in the Wealden Local Plan; it includes:
- Boship roundabout;
  - Hempstead Lane;

- A295 (Eagles) South Road roundabout;
- A27/A22 roundabout;
- A22 Golden Jubilee Way/Dittons Road roundabout.

3.9 The outline business case (OBC) was sent to DfT at the end of Jul 2019 and we have received feedback from DfT. This represents the start of an iterative dialogue with officials on the content of the business case and we are working towards approval of the OBC in early 2020 with a view to submitting a full business case later in 2020. Preliminary designs for the junction improvements have been developed and will be subject to public consultation in early 2020.

#### A259 South Coast Road Corridor

3.10 East Sussex put forward a pre-strategic outline business case relating to the A259 East Sussex South Coast Corridor Package, focussed on the section of the road between Eastbourne and Brighton, as a potential MRN scheme for delivery between 2023 and 2025.

3.11 It is anticipated that the package will focus on delivering measures to enhance access to public transport and to enable people to cycle or walk for all or part of their journeys, alongside localised road and junction capacity improvements, highways structural maintenance and safety improvements, and the potential use of smart technology. This will provide a balanced package of measures by improving the efficiency, effectiveness and resilience of this key corridor of movement that will be fundamental for both existing and future users. The detail of the package will be informed by the A259 Corridor Study that is being commissioned this financial year.

## **4. Rail**

### High Speed Rail

4.1 A 2017 study into the economic impact of high speed rail into East Sussex, commissioned by East Sussex, Hastings, Rother and Eastbourne, identifies that high speed rail would be a potential game changer for the local economy and will:

- transform the connectivity and image of the area with reduced journey times;
- support growth in London and the South East with improved connectivity with the capital critical to economic prosperity;
- act as a catalyst for economic growth attracting investment and ensuring the area is a more desirable place to live and work leading to lower out-migration of skilled labour and in-migration of higher earners.

4.2 Taking into account all benefits assessed for East Sussex, the high speed rail service could provide economic benefits in the range of £711.2m of GVA (£459.9m for East Sussex and £285.6m nationally in total over a 30 year horizon) and 1,290 jobs per annum once all benefits are realised. Visit [www.eastsussex.gov.uk/roadsandtransport/roads/roadschemes/bexhill-hastings-high-speed-rail](http://www.eastsussex.gov.uk/roadsandtransport/roads/roadschemes/bexhill-hastings-high-speed-rail) for a copy of the Economic Impact Study.

4.3 Network Rail (NR) has previously identified an incremental approach to bringing forward the infrastructure work required to enable high speed rail into East Sussex. The first phase focuses on the physical changes needed at the Ashford West junction to enable high speed trains to run from the high speed rail link onto the Marshlink via Platform 2 at Ashford International. The second phase focuses on line speed improvements on the Marshlink and the third on providing the necessary (bi-mode) rolling stock.

4.4 NR has completed the design work and associated business case work funded by DfT and the local authorities on the Ashford West junction. The work identified that whilst there is a deliverable solution it is potentially cost prohibitive (£35m) and the value for money is poor/medium.

4.5 However NR has identified an alternative which involves taking out one of the freight lines between platforms 2 and 3 at Ashford and creating a new platform, as well as track alignment works at Ashford East junction. From their initial assessment NR has identified that the scheme is technically feasible which would provide wider capacity benefits at Ashford for domestic and high speed services.

4.6 In addition NR has commissioned a timetable study for the Marshlink which will consider the three timetabling scenarios – firstly with the Ashford East improvement and no improvements to the Marshlink; secondly with improvements to the Marshlink but not at Ashford; and finally with both

improvements at Ashford and on the Marshlink. This work will be completed by Dec 2019 and will help to identify the optimum package of interventions at Ashford and on the Marshlink which deliver the best balance of benefits relative to the infrastructure and running costs for running high speed rail services into East Sussex.

- 4.7 Informed by the work being undertaken on Ashford East and the timetabling study, NR is currently developing a strategic outline business case (SOBC) to seek funding from DfT to develop a final single option for Ashford and the Marshlink infrastructure. It is expected this will be submitted to DfT in early 2020. In putting forward the SOBC there will be an expectation from DfT that third party funding will be put towards the development of the scheme. This could include from the local authorities, the LEP, but also from High Speed 1.

#### South Eastern franchise

- 4.8 The franchisees for the South Eastern franchise, which includes the Hastings–Tonbridge line, submitted their bids in Mar 2018 for evaluation by DfT. However, on 7 Aug 2019 DfT terminated the competition for the franchise saying it had “significant concerns that continuing with the process would lead to additional costs incurred to the taxpayer with no certainty that this would deliver envisaged benefits for passengers in a timely fashion.”
- 4.9 As a result DfT has exercised an option to extend incumbent Govia’s current directly-awarded contract until 1 Apr 2020. This will ensure service continuity beyond the expected publication of a review of the structure of the rail industry which the government has commissioned from Keith Williams.

#### Brighton Mainline

##### *Network Resilience*

- 4.10 NR announced details of a major asset maintenance and renewal project in Jan 2018 to improve reliability and performance for passengers on the Brighton Mainline. This focusses on the four Victorian era tunnels – Balcombe, Clayton, Patcham and Haywards Heath – and the railway running through them. Now substantially completed (there will be a final closure on 24 Nov 2019) the scheme has vastly improved the resilience of the Brighton mainline and the services that use this section of the railway.

##### *Croydon remodelling*

- 4.11 NR consulted on proposals late last year to unblock the Croydon bottleneck and provide more reliable, more frequent and faster services. These proposals include improvements to the track layouts north of East Croydon station involving removing the existing junctions and building new flyovers and dive-unders and an expanded and enhanced East Croydon station. As the main route connecting the capital with Gatwick Airport and the south coast, the removal of this bottleneck will provide a significant boost to the regional and national economy, speeding up services through the area and improving punctuality and reliability in train services. NR is currently developing their designs and will be undertaking further consultation on the scheme in early 2020.

##### *Newhaven–Lewes resignalling*

- 4.12 NR has also invested £18m in updating the signalling on the section of the rail network between Lewes and Newhaven, which ultimately will provide passengers with more reliable journeys. The commissioning of the signalling necessitated a blockade in the Lewes area in early Mar 2019. The works were not completed within the blockade as originally envisaged so there will need to be a further closure between 28 Nov and 1 Dec 2019 to enable the signalling to be fully commissioned.

## **5. Aviation**

#### Gatwick

##### *Development Consent Order to use the standby runway on permanent basis (departures only)*

- 5.1 The consultation on Gatwick’s Masterplan closed in Jan 2019, which included proposals for the potential use of the standby runway by smaller aircraft for departures (e.g. A321s 737s, with larger aircraft departing from the main runway and all aircraft arriving on the main runway) to increase the overall capacity of the airport.
- 5.2 Gatwick has commenced the Development Consent Order (DCO) process to enable the use of the standby runway to happen. This will involve adjusting the distance between the standby and main airfield taxiway by 12m, which will require a new pier location, hangar and ancillary development and

assessments of impacts including flood risk, surface access improvements and car parking. In terms of timescale, on 2 Sep 2019 Gatwick submitted an Environmental Impact Assessment (EIA) scoping report to PINS, who is now consulting key stakeholders – including the County Council – on what should be included in the EIA.

- 5.3 This is the first of six stages in the DCO process which will take about two years to complete. The proposal is currently at the very beginning of the ‘pre-application’ stage which will also include a more detailed consultation with local authorities, lasting several months, from Mar 2020. The formal submission of the DCO application to PINS is expected in late-2020/early-2021 with a decision expected in 2022. Operations would then start in 2026 with the infrastructure completed by the mid-2030s. Visit <https://infrastructure.planninginspectorate.gov.uk/projects/south-east/gatwick-airport-northern-runway/> for further information on the DCO.

#### *Rail station redevelopment*

- 5.4 The planning application for the proposed construction of a new station concourse/airport entrance area, link bridges, platform canopies and associated improvement works at Gatwick Airport Rail Station was approved by Crawley Borough Council’s Planning Committee on 11 Feb 2019. The project will be funded by various partners – NR, DfT, Gatwick Airport Limited and C2C LEP – and construction is currently programmed to start in 2020.

#### *Airspace Modernisation – Future Airspace Strategy Implementation South (FASI(S))*

- 5.5 FASI South involves the redesign of airspace from surface to 30,000ft for southern England and Wales. Gatwick Airport submitted their proposed airspace modernisation design principles to the Civil Aviation Authority (CAA) on 13 Jun 2019, which was subsequently endorsed. The nine Design Principles are available to review on the [CAA Airspace Change Portal](#).
- 5.6 Gatwick has recently started Stage 2 (development and sifting of options) of the six-stage process, which will take until Spring 2020 to complete, before moving into Stages 3 and 4 (options impacts and benefits assessment). The objective is to develop a shortlist of design options to be consulted on in 2021 and require stakeholder involvement.
- 5.7 ESCC responded previously on Stage 1 in relation to the design principles highlighting that we were disappointed that such a short timescale was provided in order to respond to the consultation. Officers have engaged in Stage 2 of the FASI South and attended a briefing session with Gatwick Airport Limited (GAL) on 8 Oct 2019. In our response we highlighted that:
- we wanted to ensure the continued swathe for aircraft joining the westerly arrival corridor (over East Sussex) into Gatwick to disperse the concentration of those affected by aircraft noise, thus reducing the intensification for particular local communities;
  - there should be a reduction in the concentration of flights over populated areas; and
  - that we welcome the continuous ascent and descent of aircraft so that they climb quicker on ascent and stay higher for longer on descent.

#### Aviation Green Paper

- 5.8 Department for Transport (DfT) has been seeking feedback on its green paper outlining proposals for a new aviation strategy. The strategy will set out the challenges and opportunities for aviation to 2050 and beyond and will emphasise the significance of aviation to the UK economy and regional growth. The strategy will focus on:
- developing a partnership for sustainable growth which meets rising passenger demand, balanced with action to reduce environmental and community impacts;
  - improving the passenger experience, including through technology and innovation, a new passenger charter and action to reduce delays at the border;
  - building on the UK’s success to establish new connections across the world and create greater choice for consumers.
- 5.9 The consultation closed on 20 Jun 2019 and a final white paper version of the aviation strategy is expected to be published later in 2019, however this may be delayed by the general election.

## **6. Infrastructure to Unlock Jobs and Homes**

6.1 There are a number of projects across the county which are helping to unlock jobs and homes:

### North Bexhill Access Road (NBAR)

6.2 The NBAR is a new road from Combe Valley Way (the Bexhill Hastings Link Road) to the A269 north of Sidley. Funded using Local Growth Fund (LGF) monies secured through the South East Local Enterprise Partnership (SELEP), the access road will unlock 28,000sqm of employment space and 500 new homes in the Rother District Local Plan. The road opened to traffic on 11 Mar 2019.

### Queensway Gateway Road (QGR)

6.3 QGR is a new link-road between Queensway and the A21 in north Hastings which will unlock 12,000sqm of employment space as identified in the Hastings Local Plan. Funded by LGF monies, the road has been completed from Queensway through to the access into Ramblers Coaches.

6.4 There remain some challenges with the delivery of the remaining section through to the A21. Whilst planning permission for the relocation of Bartlett's Garage to North Queensway was given in Jan 2019, negotiations with Bartlett's have taken longer than expected. Talks are continuing but this has resulted in a delay in their relocation, and as a consequence the commencement of the final stage of QGR.

6.5 Sea Change Sussex fully recognises the need to open the Gateway Road as soon as possible. In advance of the permanent connection with the A21 being completed, a temporary connection to the A21 is being progressed by Sea Change Sussex to enable vehicles to use the road for access to the A21. It is aimed that this temporary solution, subject to receiving the necessary approvals, will be in place by Spring 2020. In parallel, work will continue to progress toward the completion of the permanent connection to the A21 and final completion of the project.

### Newhaven Port Access Road (NPAR)

6.6 The NPAR is an integral part of Newhaven Enterprise Zone (NEZ) which came into effect in Apr 2017 and is identified within the ESCC Council Plan as a key priority for driving sustainable economic growth.

6.7 Development within East Quay is constrained by the current poor access to the site, and the impacts from the unsuitable traffic along Railway and Beach Road adversely affect the viability of developments (particularly residential) in this part of the town. The NPAR provides a new direct access into the East Quay area of Newhaven Port, alleviating traffic (particularly HGVs) away from the existing route along Railway Road and Beach Road, which are residential roads unsuitable for this use.

6.8 The first phase of the road was completed by a developer in 2015 and the County Council is completing the route with a bridge over the Newhaven–Seaford railway line and Mill Creek, taking the road into port land to the south and ultimately linking into the East Quay area.

6.9 The total cost of the scheme is £23.2m (£13.2m from ESCC and £10m of LGF monies from the government). Contractor BAM Nutall started work on site in Jan 2019. The construction will take 19 months to complete.

6.10 Visit [www.eastsussex.gov.uk/roadsandtransport/roads/roadschemes/newhaven-port-access-road](http://www.eastsussex.gov.uk/roadsandtransport/roads/roadschemes/newhaven-port-access-road) for further information on the Port Access Road.

## **7. Local Transport Capital Programme**

7.1 The 2019/20 local transport capital programme was approved by the Lead Member for Transport and Environment in Mar 2019. The £10.4m programme includes a broad mix in scale/value of over 90 schemes funded through LGF monies, development contributions and funding allocated in ESCC's capital programme. The 2019/20 capital programme for local transport improvements is available to view via <https://democracy.eastsussex.gov.uk/ieListDocuments.aspx?Cid=177&Mid=3805>.

## **8. Regenerating Town Centres**

8.1 Across the county there have been various regeneration schemes delivered by the County Council focussed on our town centres, including most recently in Uckfield (2014-16) and Hailsham (2016-17). There are a number of town centre schemes currently under development as outlined below.

### Eastbourne Town Centre Improvements Phase 1

- 8.2 Phase 1 of the package, costing £8.25m with £5m coming from LGF, was developed to support the extension of the town centre's Arndale (now renamed 'Beacon') shopping centre. The scheme focussed on:
- improving the pedestrian environment and public realm on Terminus Road between Station roundabout and Bankers Corner, Gildredge Road and Cornfield Road;
  - the relocation of the bus stops into Cornfield Road and Gildredge Road with a one-way bus lane through Terminus Road from its Ashford Road junction to Bankers Corner.
- 8.3 Mildren Construction was appointed to undertake the works which started in Mar 2018 and are programmed for completion in Dec 2019. Visit [www.eastsussexhighways.com/works/eastbourne-town-centre-improvement-scheme-etcis](http://www.eastsussexhighways.com/works/eastbourne-town-centre-improvement-scheme-etcis) for further information.

### Eastbourne Town Centre Improvements Phase 2

- 8.4 Since early 2018 we have been engaging with stakeholders from across the community in Eastbourne to identify priorities for better movement and access in and around Eastbourne's town centre. A package for Phase 2 has been identified through a series of stakeholder workshops, with priority given to developing proposals for the section of Terminus Road between Bankers Corner and Langney Road which will utilise the £3m of LGF monies approved by SELEP in Feb 2019 for improving movement and access in Eastbourne town centre. Consultation on these proposals is currently underway – further details are available on the East Sussex consultation hub, <https://consultation.eastsussex.gov.uk>.
- 8.5 We are also developing other schemes within the package, currently unfunded but which will enable us to have a pipeline of scheme designs 'bid ready' when funding becomes available. This includes proposals for the remainder of Terminus Road to the seafront, the Little Chelsea area (Grove Road/South Street) and Memorial roundabout.

### Hastings and Bexhill

- 8.6 We are currently developing proposals for Bexhill focussed on the London Road corridor from the A259 to Buckhurst Place and Sackville Road, to be delivered using LGF plus CIL monies secured from Rother DC, and proposals for Hastings focussed on the corridors from the rail station to the seafront, again using LGF monies.

### Future High Streets Fund

- 8.7 Recognising the importance of ensuring the vitality of our town centres, both now and in the future, the government announced its £650m Future High Streets Fund in late-Dec 2018.
- 8.8 The Fund, which would support and fund local areas' plans to make their high streets and town centres fit for the future, is expecting any potential investment bids to fall under a number of themes including improvement to transport access, traffic flow and circulation, public realm improvements and supporting adaptation of the high street in response to changing technology.
- 8.9 Following a call for expressions of interest, all our Borough and District Councils submitted EOIs to the government in Mar 2019. The government announced in Jul 2019 that Lewes DC, with their EOI related to Newhaven town centre, has been successful in progressing to the next stage where applicants need to develop a business case for submission by early 2020.

### Stronger Towns Fund

- 8.10 The government announced on 6 Sep 2019 that it will invite 100 places to develop proposals for Town Deals to transform their town's economic growth prospects with a focus on improved transport, broadband connectivity, skills and culture. Both Hastings and Newhaven have been chosen for the opportunity to bid for up to £25m from this programme. The government will be working with Hastings BC, Lewes DC and other local stakeholders to understand the respective town's local assets, opportunities and challenges.
- 8.11 The government's prospectus for the fund, its objectives, and the timelines and process for accessing the funds is available at [www.gov.uk/government/publications/towns-fund-prospectus](http://www.gov.uk/government/publications/towns-fund-prospectus).
- 8.12 Hastings and Lewes have each been asked to establish a Town Deal Board by the end of Jan 2020. The purpose of the respective boards will be to advise on preparing an Investment Plan for both towns by Summer 2020. Both authorities are currently formulating their proposals for the boards in accordance with the prospectus and completing a readiness checklist for submission on 19 Nov 2019.

## 9. Local Cycling and Walking Investment Plan and Active Access for Growth Programme

### Local Cycling and Walking Investment Plan

- 9.1 In Mar 2016 DfT published a national Cycling and Walking Investment Plan (CWIP). The key objectives are to double levels of cycling and reverse the decline in walking, reduce the rate of cyclists killed or seriously injured on England's roads, and increase the percentage of children aged 5 to 10 that usually walk to school.
- 9.2 The CWIP encourages local authorities to develop their own *Local* Cycling and Walking Investment Plans (LCWIP). We are currently drafting our LCWIP which will be accompanied by a number of cycling and walking policies to support future scheme delivery of infrastructure and initiatives. As part of this we have been engaging with various interest groups through the County Walking and Cycling Forum on the content of those policies. Public consultation on the LCWIP will commence in early 2020.

### Active Access for Growth Programme

- 9.3 The East Sussex Active Access for Growth is a three year £1.4m DfT-funded programme delivering a range of cycling and walking initiatives including:
- Sustrans Active Steps & Bike It;
  - Living Streets Walking Projects with schools and businesses;
  - Sussex Community Rail Partnership (independent travel training);
  - Pedal Power (cycle/electric cycle loans);
  - SDNPA-led walks and rides;
  - community grants.
- 9.4 These initiatives have been integrated into key existing County Council workstreams focussed on supporting business engagement, workforce development and public health community development projects.
- 9.5 The programme was due to end in Mar 2020, however following the Sep 2019 spending review the government has announced that there will be a one-year extension in the funding for existing programmes in 2020/21. We have been awarded an indicative allocation of £400,000 revenue to continue the programme, calculated on a pro-rata basis of our share of the £60m original Access Fund programme. To simplify the application process, DfT has recommended that authorities bid to continue one of their existing work packages as submitted in their original Access Fund bid. This needs to be submitted by 29 Nov 2019.

## Transport for the South East (TfSE)

- TfSE's draft Transport Strategy was launched on 10 Oct 2019 at an event at the Farnborough Exhibition Centre. The event included a keynote address from Transport Minister George Freeman MP.
- Five regional events were held across the TfSE area through Oct 2019 to promote the draft strategy. Each of the events included an address from the appropriate Local Enterprise Partnership, with Adam Bryan speaking at the event held in Canterbury.
- The closing date for submission of consultation responses is 10 Jan 2020.
- Following advice from the Department for Transport (DfT), TfSE's 'Proposal to Government' to secure statutory status has not yet been submitted. It is proposed that TfSE should seek to submit the Proposal after the final version of the Transport Strategy has been approved by the Shadow Partnership Board in Apr 2020.

## Business East Sussex (BES)

- ESCC's Economic Development team and the BES Growth Hub worked with partners in the run up to 31 Oct 2019 to coordinate work in the county on helping businesses prepare for Brexit. The coordinated approach taken in East Sussex was recognised by local and national partners as being very helpful, avoiding duplication of efforts and keeping the messages to businesses clear and simple.

- As part of the now paused 'Get Ready for Brexit' campaign, three events were held in Oct 2019, two run by Sussex Enterprise and the third by the Department for International Trade. BES staff also attended several breakfast events held by the FSB and we estimate around 250 businesses were reached as a result.
- For the purposes of Brexit planning, the government created 'clusters' of Growth Hubs. The three sub-hubs that make up the SELEP South East Business Hub, of which BES is one, were put in a cluster with the London and Hertfordshire Growth Hubs. BEIS nominated London as the lead for the cluster and have awarded further funding to the cluster for Brexit preparations. This funding needs to be spent by 31 Mar 2020 and we are working with partners to allocate resources in ways that will be most useful to local businesses, including providing additional resource for face to face business support 'on the ground' in East Sussex.

#### South East Business Boost (SEBB)

- Activity on the current SEBB programme is coming to an end with most targets met and a good level of confidence that final targets will be met too.
- At the time of writing, 264 businesses have been supported, with 148 receiving a grant and 117 receiving 12 hours of business support. 71 new enterprises have been supported and 4 new FTE jobs created with a further 43 in the pipeline.
- An Expression of Interest has been submitted by Southend-on-Sea BC for a further round of ERDF funding which will allow a further SEBB programme to be developed, building on the learning from the first.

### Developers East Sussex (DES)

- The most recent DES meeting in Oct 2019 was hosted by Rother DC who provided an update on their current developments and future growth plans, and held a frank discussion with the group on some of the perceived barriers to local development in the county. The meeting also featured presentations from Homes England and from ESCC's Director of Public Health on the topic of 'joining up Health and Housing'. The next scheduled DES meeting is 21 Jan 2020.
- This year's annual Leaders Dinner, where developers can engage with senior local authority officers and Leaders, including the Leader of the County Council, has been postponed until the new year. It was originally scheduled for the evening of 12 Nov 2019, but due to the announcement of the General Election this date fell into the pre-election period known as purdah, so was no longer possible. The Leaders Dinner will now take place on 11 Feb 2020 at the Grand Hotel in Eastbourne.

### Environment East Sussex (EES)

- The draft East Sussex Environment Strategy was presented to TES on 4 Nov 2019. Some useful feedback was provided which is now being used to revise the Strategy. A final version will be shared with TES in Jan 2020.
- Some of the more urgent actions identified in the Strategy are now being progressed, including how to develop an evidence-based road map to net zero carbon emissions for East Sussex by 2050.
- The EES group has fed into the Local Industrial Strategy development, including members of the Sussex Local Nature Partnership participating in the workshop on maximising natural assets in the LIS.
- The bid for ERDF funding for the LoCASE 2 programme, which provides support to businesses to cut their costs and carbon footprint with free audits, 121 support and grants, has now been approved to go forward by the ESIF committee.

### Skills East Sussex (SES)

#### SES Board and Task Groups

- Following the Skills East Sussex Board and Sector Task Group meetings that took place in Sep 2019, members were asked to consult on the Local Industrial Strategy. Responses have been provided to SELEP via the County Council's Employment and Skills Team.

- The inaugural meeting for the Skills East Sussex *All Age Careers Campaign* will take place on 21 Nov 2019. The meeting will include key strategic partners from across the county with an interest in promoting key careers in our priority sectors to local residents.
- The next meeting of Skills East Sussex will take place on 5 Dec 2019 and will focus on what SES and its stakeholders can do to better reach and support vulnerable learners.

#### Apprenticeships East Sussex (AES)

- AES met in Sep 2019 and agreed a plan for 2019/20 which includes delivering workshops in schools and roadshows to promote apprenticeships, and supporting SMEs to take up apprenticeships through apprenticeship levy transfer.
- The county's first Apprenticeship Graduation ceremony took place on 25 Sep 2019, celebrating the achievements of over 50 of the county's apprenticeship graduates.

#### Digital Skills Partnership (DSP)

- The SELEP Digital Skills Partnership met in Oct 2019 and has begun mapping digital needs and working with the East Sussex Careers Hub to promote events. As promised at the DSP launch in Jun 2019, Google is delivering one of five Digital Garage events on 4 Dec 2019 at East Sussex College's Eastbourne campus.

#### Primary and Secondary Careers Hubs

- The Primary Careers Hub pilot launched in Sep 2019 and has started working with 23 schools, mapping careers-related learning and employability in the curriculum, and supporting schools to develop resources and link with employers for in-school and workplace visits.
- The Secondary Careers Hub, working with all schools, special schools and colleges in the county, has made significant progress against the national Gatsby Benchmarks. The Hub team is working strategically with schools and their Enterprise Advisers (volunteers from business) through training, staff insets and parental engagement to embed careers in the curriculum, improve student understanding of labour market information, and enable meaningful encounters with employers through its Industry Champion network and Open Doors. Over 140 businesses have volunteered as Industry Champions to engage with students directly about their sector. More than 1,300 students have visited over 50 employer premises in Nov 2019 as part of the Open Doors initiative, double the number that went out last year in 2018.

## European Funding

- DEFRA has launched a new round of its EAFRD Growth Programme, with a £35m national pot offering grants in the areas of business development, food processing and rural tourism. The closing date for EOIs is 16 Feb 2020. See [www.southeastlep.com/opportunities/rdpe-growth-programme](http://www.southeastlep.com/opportunities/rdpe-growth-programme) for more information.
- SELEP currently has no open ERDF or ESF calls for applications; it's anticipated that the next round of ERDF open calls will be launched in 2020 and will be run at a national level. You can view all ERDF and ESF calls across all LEP areas at [www.gov.uk/european-structural-investment-funds](http://www.gov.uk/european-structural-investment-funds).

Funding Stream	Element	Actions Completed	Actions Pending	Main applications covering East Sussex
<b>European Agricultural Fund for Rural Development (EAFRD)</b>	Calls from the Rural Payments Agency (RPA) and Department for Environment, Food & Rural Affairs (DEFRA), and part of the Rural Development Programme for England (RDPE) Growth Programme; 3 submeasures covering Rural Tourism Infrastructure, Food Processing and Business Development.	Original call published Jan 2017, with the Jan 2018 deadline extended to 31 May 2018; new call launched 4 Nov 2019 with a £35m national pot.	The current call closes on 16 Feb 2020.	Across the SELEP area there are 41 contracted projects from the original call worth £16.7m; 20 projects have been completed and final claims paid; there is no federated-level breakdown of contracted projects.
<b>LEADER</b>	The LEADER scheme is part of the Rural Development Programme for England (RDPE), managed by the Rural Payments Agency (RPA) and funded by the European Agricultural Fund for Rural Development (EAFRD). Under LEADER, Local Action Groups (LAGs) award grant funding to local businesses and organisations to help them carry out projects which create jobs and benefit the rural economy.	The LEADER programme for 2015-20 was adopted in 2015; WARR and Central Sussex LEADER programmes launched Oct 2015.	Nothing pending.	<i>Wealden &amp; Rother Rural Partnership (WARR) and Central Sussex Local Action Group (including Horsham, Mid Sussex &amp; Lewes District); both Local Action Groups are reaching the end of their programmes and are now closed to new applications.</i>

Funding Stream	Element	Actions Completed	Actions Pending	Main applications covering East Sussex
European Regional Development Fund (ERDF)	Call 1 – Priority Axes (PA) 1: Innovation; PA 3: SME Competitiveness; PA 4: Low Carbon Enterprises; and Technical Assistance. Minimum grant value £500k.	Call closed May 2015 with full application deadline Sep 2015; 4 applications were successful.	Nothing pending.	The 4 successful applications were <i>Keep+</i> , <i>LoCASE</i> , <i>Invest Kent</i> and the <i>ERDF Technical Facilitator</i> project; <i>LoCASE</i> was approved for an additional £6.98m ERDF in Mar 2019; the Technical Facilitator role, appointed with ESCC as accountable body, has now come to a close (the work of overseeing the ERDF programme will continue as part of SELEP's Business Development Manager role).
	Call 2 – PA 3: SME Competitiveness, BIS National Products.	The successful projects have all been contracted and are underway.	Nothing pending.	<i>Better Off In Business</i> (Prince's Trust), <i>Get Exporting 2</i> (Exemplas) and the <i>Manufacturing Growth Programme</i> (WMMBF Ltd) are all designed to deliver across the SELEP area, including East Sussex. 'Newable' is the delivery partner for <i>Get Exporting 2</i> in East Sussex & Kent; the <i>Manufacturing Growth Programme</i> will be delivered by <i>Economic Growth Solutions Ltd</i> (EGS).
	Call 3 – PA 3: Growth Hubs & Access to Finance; £13m grant available, £500k minimum grant value.	The South East Business Boost (SEBB) Growth Hub project was approved in Sep 2016 and began operating in Apr 2017.	Nothing pending.	East Sussex is one of the SELEP partners in the <i>South East Business Boost</i> (SEBB) Growth Hub project, delivering extended growth hub services and a small grants programme, enhancing the reach of our current business support services under the banner of <i>Business East Sussex</i> (BES); the SEBB programme is due to end in Mar 2020, but proposals will be submitted to continue the service under 'SEBB-2'.
	Call 4 – PA 3: SME support to the creative and digital industries (£3.5m); £500k minimum grant value.	A SELEP-wide application (SECCADS) submitted Sep 2016 went through several iterations before final approval in Nov 2017.	Nothing pending.	The <i>South East Cultural, Creative &amp; Digital Sector</i> project (SECCADS) is led by Thurrock Council and covers the whole SELEP area; it is aligned with BES/SEBB.
	Call 4 – PA 3: SME support (£10m); £500k minimum grant value; Rolling Call.	Call opened from Apr 2016 to Mar 2017; 1 application from Essex CC for South East Invest (SEI) was approved in Feb 2017; 2 further applications from Hadlow College (Betteshanger Sustainable Parks) and Haven Gateway Partnership (Transportation & Logistical Efficiencies) were finally approved in summer 2018.	Nothing pending.	<i>South East Invest</i> (SEI) is a joint project by ESCC and Essex CC to enhance the inward investment service delivered by <i>Locate East Sussex</i> , doubling the funding given on the existing CORE service contract value to some £420k per annum for 3 years. <i>Betteshanger Sustainable Parks</i> provides physical incubator space and SELEP-wide business support activities for SMEs in food security, environmental technology, life sciences and green technology. <i>Transportation &amp; Logistical Efficiencies</i> (TALE) provides support around smarter ways of working to the logistics sector across the SELEP area.
	Call 5 – PA 1: Innovation; and PA 4: Low Carbon Enterprises. Both with a £500k minimum grant value.	Call opened Dec 2016 with 4 outline applications submitted, 3 of which (from Kent and Greenwich Universities) later withdrew.	One full application, the 'South East New Energy' project, has successfully been appraised and the grant funding agreement is imminent.	Led by <i>Retrofit Works</i> , <i>South East New Energy</i> is a SELEP-wide project comprising low carbon business support initiatives, including revenue activities for local authorities, and will benefit East Sussex due to the requirements on Strategic Fit and alignment with <i>LoCASE</i> .
	Call 6 – PA 1: Research & Innovation; PA 3: SME Growth & Competitiveness; and PA 4: Low Carbon Economy; rolling open call for applications.	Rolling open calls for applications went live in Mar 2017; 3 outline applications were submitted in Jul 2017, 4 more in Oct 2017 and another 4 were submitted by the final deadline of 26 Jan 2018.	Of the 11 outline applications submitted, 7 were invited to full application; 5 have since successfully progressed through the appraisal process and grant funding agreements are imminent.	All 5 projects are SELEP-wide and will benefit East Sussex due to the requirements on Strategic Fit or because they offer business support programmes that can benefit East Sussex SMEs; the projects are <i>Mercury Rising</i> (Colchester BC), <i>I-CONSTRUCT</i> (Haven Gateway Partnership), <i>Better Off In Business</i> (The Prince's Trust, a continuation to the existing contracted project), <i>Kent Medical Campus Innovation Centre</i> , <i>Design &amp; Learning Centre Drives Local Care</i> , and <i>R&amp;D 4 SMEs</i> .

Funding Stream	Element	Actions Completed	Actions Pending	Main applications covering East Sussex
<b>European Regional Development Fund (ERDF)</b>	Call 7 – PA 1: Research & Innovation; multi-LEP calls for applications to support the 'Innovation South Science & Innovation Audit (SIA) for Quantum Supply' and 'Knowledge Accelerator' projects.	The call was open between Dec 2017 & Jan 2018; 1 outline application to cover the Innovation South SIA area was rejected following appraisal.	Nothing pending.	None.
	Call 8 – PA 1: Research & Innovation; looking to enhance R&I infrastructure & capacities, promote centres of competence and promote business investment in R&I; plus a national open call against PA3 for (i) International Trade and (ii) Manufacturing.	The call for outline applications was open Oct-Nov 2018; no applications submitted for the SELEP-wide PA1 call; 1 application submitted for the PA3 International Trade call (from DiT) and 1 for the Manufacturing call (an extension to the multi-LEP Manufacturing Growth programme).	The 2 project applications are currently at the full application appraisal stage.	The <i>South Export Grants Programme</i> from DiT will ensure a continuous export support service to businesses in East Sussex; the <i>Manufacturing Growth Programme</i> has a proven track record of business support in East Sussex.
	Call 9 – PA 1: Research & Innovation; project to provide R&I support to enhance R&I infrastructure & capacities, promote centres of competence (in particular those of European interest) and promote business investment in R&I; up to £4.7m available with a minimum application value of £500k.	The call for outline applications was open from 28 Jun to 30 Sep 2019.	Outline applications are now being assessed.	Unknown at this time - further information on projects relevant to East Sussex will be shared when available.
	Call 9 – PA 3: SME Competitiveness; project to promote entrepreneurship, support advanced capacities for products & services, and support SMEs to grow in regional, national and international markets; up to £10m available with a minimum application value of £500k.	The call for outline applications was open from 28 Jun to 30 Sep 2019.	Outline applications are now being assessed.	Unknown at this time - further information on projects relevant to East Sussex will be shared when available.
	Call 9 – PA 4: Low Carbon Economy; project to promote energy efficiency & renewable energy use in enterprises, support smart energy management in public infrastructure (including the housing sector), promote low-carbon strategies (in particular for urban areas) and promote R&I in low-carbon technologies; up to £6.5m available with a minimum application value of £500k.	The call for outline applications was open from 28 Jun to 30 Sep 2019.	Outline applications are now being assessed.	Unknown at this time - further information on projects relevant to East Sussex will be shared when available.
<b>European Social Fund (ESF)</b>	<b>Department for Work &amp; Pensions (DWP)</b> – supporting businesses to identify training, recruitment & skills needs, meeting those needs and generating entry level opportunities for those out of work or underemployed.	Call closed Mar 2016; the DWP/Jobcentre+ Opt-in contract was awarded to Reed (in partnership with Skills Training UK, Royal British Legion Industries and APM).	The contract will finish in 2020 so SELEP and partners are working with Twin Training (also has one of the new ESFA contracts described below) to seek to achieve continuity; DWP has confirmed Reed will refer any queries onto Twin Training.	The South East contract, <i>Skills Support for the Long-Term Unemployed</i> , covers the East Sussex locations of Eastbourne (in the Design & Manufacturing sector) and Hastings (in Financial & Business Services, Specialist Manufacturing and Engineering). Reed is now starting project closure, following-up dormant cases and offering bespoke support for remaining clients.
	<b>Department for Work &amp; Pensions (DWP)</b> – to assist young people enter growth sectors by addressing barriers such as transport, mental health support and confidence building to ensuring long-term sustainable jobs through pre-apprenticeships and work experience.	Call closed Jun 2017 with 2 applications contracted from Prince's Trust and Essex CC (totalling £700k).	Nothing pending.	The <i>Get Into</i> contract from the Prince's Trust covers East Sussex and supports NEET young people furthest from the labour market; further information at <a href="http://www.princes-trust.org.uk/support-our-work/european-structural-and-investment-funds">www.princes-trust.org.uk/support-our-work/european-structural-and-investment-funds</a>
	<b>Department for Work &amp; Pensions (DWP)</b> – using virtual reality & online learning to support employment & growth.	Call for outline applications open Oct-Dec 2018.	DWP has confirmed that a number of applications were received, currently being evaluated and assigned a DWP lead.	There is an application covering East Sussex being evaluated by DWP; further information will be shared when available.
	<b>Department for Work &amp; Pensions (DWP)</b> – Skills for Growth: Industry & Education Work Placements & Support; a project to facilitate collaboration between education and SMEs across the SELEP area (intended to build upon a pilot around tutor bursaries for which the SELEP Skills Advisory Group received SSF funding).	Call for outline applications open Feb-May 2019.	DWP has confirmed that a number of applications were received, currently being evaluated and assigned a DWP lead.	There is an application covering East Sussex being evaluated by DWP; further information will be shared when available.

Funding Stream	Element	Actions Completed	Actions Pending	Main applications covering East Sussex
European Social Fund (ESF)	<b>Department for Work &amp; Pensions (DWP)</b> – Wheels to Work & Training; projects to support unemployed or inactive residents in the SELEP area find ways of travelling to/from employment or training opportunities.	Call for outline applications open Apr-Jun 2019; no applications received.	On 5 Sep 2019 the SELEP Skills Advisory Group agreed that this call should be reissued with a lower minimum amount, and this has been submitted as part of the DWP National Reserve Fund process; DWP queries are being responded to and the date of reissue is to be confirmed by DWP.	None so far.
	<b>Department for Work &amp; Pensions (DWP)</b> – Enabling progression in entry level jobs in the South East; to deliver programmes within the SELEP area to support individuals with no qualifications or with level one only; priority sectors include construction, IT & digital, logistics, finance, education, health and care; £2m available.	Call for outline applications open from 4 Jul to 26 Sep 2019.	Bids were received, currently being assessed.	DWP to confirm coverage of bids received.
	<b>Department for Work &amp; Pensions (DWP)</b> – Driving apprenticeship growth across the SELEP area; 2 calls to offer support to individuals to undertake apprenticeships and to support SMEs to offer more apprenticeships; £2.7m available in total.	2 calls for outline applications open from 23 Jul to 15 Oct 2019.	Bids were received (for the Supporting SMEs call, none for Supporting Individuals), currently being assessed.	There is an application covering East Sussex being evaluated by DWP; further information will be shared when available.
	<b>Education &amp; Skills Funding Agency (ESFA)</b> – sector-focused Apprenticeships including support to disadvantaged/vulnerable participants, access to high-quality employer-led careers information and LMI, and brokerage of opportunities for young people.	ESFA contracts worth £24m were announced in Jan 2017; all SELEP projects have now completed but new ESFA contracts commenced in Apr 2019 (detailed below).	Nothing pending.	Two <i>Skills Support in the Workplace</i> projects covering Numeracy (£2.16m across SELEP of which approx £285k used in East Sussex) and Basic Skills (£2m across SELEP, £260k in East Sussex). Two <i>Skills for Growth</i> projects covering Higher Level Skills (£4.6m across SELEP) and Higher Digital Skills (£1.4m across SELEP). One <i>Skills Support for the Unemployed</i> project (£1.924m for East Sussex). All projects have now completed.
	<b>Education &amp; Skills Funding Agency (ESFA)</b> – calls launched under 4 Priority Areas: PA 1.1 Skills Support for Unemployed, PA 1.2 NEET (15-24), PA 1.4 Community Grants, and PA 2.1 Skills Support for the Workforce & Redundancy.	Call open Aug-Sep 2018; ESFA completed an evaluation in Dec 2018 and 4 successful projects commenced on 1 Apr 2019.	SELEP will work with East Sussex and ESFA to ensure contracts focus on need, and an East Sussex representative will attend tripartite meetings with ESFA, contract holders and SELEP.	Contract holders are confirmed as: <ul style="list-style-type: none"> <li>• <i>Twin Training</i> (skills support for the unemployed)</li> <li>• <i>Skills Training UK</i> (support for 15-24 yo NEETs)</li> <li>• <i>CXK</i> (community grants programme)</li> <li>• <i>Twin Training</i> (skills support for the workforce &amp; redundancy)</li> </ul> Applications will cover the whole SELEP area and funding is allocated for delivery in East Sussex to ensure there is focus in the county.
	<b>BIG Lottery</b> – second round of Building Better Opportunities funding; the ESF thematic objective is Promoting Social Inclusion & Combating Poverty; applications invited to deliver 12 projects across the SELEP area - 6 in the north, 6 south; the total funding available for the south is £8,500,900.	Launched Oct 2015 with successful applicants announced May 2016; East Sussex and Kent & Medway submitted applications but 1 withdrew so there are only 5 in the south, 11 overall, with the funds allocated to the withdrawn project supporting extension/growth of the other 5 contracts.	Big Lottery assessed projects for growth/extension and is finalising extensions with DWP; the final decision is imminent so we'll know shortly which projects are recommended for growth, enabling extensions to 2022; this has required additional Big Lottery funding as match (£2.7m) and SELEP ESF commitment (£2.7m); SELEP has some money remaining under the relevant priority area (1.4) and has issued a Change Request to DWP to move money from PA-1.1 to facilitate these extensions; awaiting DWP final decision to enable SELEP to write to all projects confirming ESF funding.	The 5 projects in the south, all covering East Sussex, are: <ul style="list-style-type: none"> <li>• Let's Get Working (Sussex Community Development Association, employment support for people with disabilities and long term health issues)</li> <li>• Porchlight &amp; Sussex Community Development Association (employment support for people with mental health issues)</li> <li>• Social Enterprise Kent CIC (employment support for older people)</li> <li>• Gingerbread (the charity of single parent families, employment support for lone parents)</li> <li>• Royal British Legion Industries (employment support for people with difficulty sustaining employment)</li> </ul>

Funding Stream	Element	Actions Completed	Actions Pending	Main applications covering East Sussex
<b>CLLD (ERDF/ESF)</b>	CLLD programmes will run for 5 years focusing on those groups most excluded from economic activity and in need of support to get on the path towards employment, and on encouraging entrepreneurial activity.	Initial EOIs closed Nov 2015 with 3 successful South East applications from Hastings & Bexhill, Thurrock and Folkestone; funding agreements finally signed May 2018; the Hastings & Bexhill CLLD programme opened its first call for projects between Jun & Aug 2018, a second call from Mar to Jun 2019, and a third and final call from 18 Sep to 31 Oct 2019.	Project applications from Hastings BC's first two calls are progressing (1 ESF contract signed & recruiting staff, 1 ERDF project approved & contracting, 1 ESF project recommended for approval by the board, 1 ESF & 1 ERDF project being assessed, 1 ESF project in development and 1 ERDF waiting for confirmation of match funding); 3 EOIs received in call 3; options for remaining funds being considered.	The Hastings & Bexhill CLLD submission - <i>CHART (Connecting Hastings &amp; Rother Together)</i> - covers 10 wards across Hastings, Bexhill and Sidley, helping local people benefit from new employment & enterprise opportunities and helping to expand the cultural, creative, media and visitor/leisure economies; Hastings BC is the accountable body for CHART.
<b>CLLD - European Maritime Fisheries Fund (EMFF)</b>	EMFF / Marine Maritime Organisation (MMO) Fisheries Local Action Group (FLAG).	An application and Local Strategy from Hastings Fisheries Local Action Group (HFLAG) has been approved.	HFLAG project progressing.	<i>Hastings Fisheries Local Action Group (HFLAG)</i> was given approval for £600k for projects plus an additional £200k for M&A over 3 years, supporting the Hastings small scale fleet and associated industry; Hastings BC is lead partner on behalf of HFLAG; funding equating to £640k has been committed to 19 projects (£40k over budget, extra spend which has been approved by the managing authority); final project spend position being finalised for end-of-programme (projects activities must end Dec 2019).
<b>Interreg</b>	<b>France-Channel-England:</b> a cross-border programme to fund high quality cooperation projects in the Channel border region between France and England, in line with the Europe 2020 strategy; the Managing Authority is Norfolk County Council. <a href="https://interreg5a-fce.eu/">https://interreg5a-fce.eu/</a>	5 calls took place between Mar 2015 and Apr 2017, after which the programme switched to a running open call; since Mar 2017 the programme also has 2 calls per year (Mar & Oct) for 'micro projects'; a total of 26 projects have been approved overall.	The running open call for regular projects has been extended until Nov 2019 for project ideas, and Jun 2020 for full applications; calls for micro projects (2 calls per year in Mar & Oct) will continue until Mar 2020.	None.
<b>Interreg</b>	<b>2 Seas 2014-20:</b> a European Territorial Cooperation programme covering England, France, Netherlands & Belgium with a total of €241m ERDF to co-finance projects in the 2014-20 period; objective is to develop an innovative, knowledge & research based sustainable and inclusive 2 Seas area where natural resources are protected and the green economy is promoted. <a href="http://www.interreg2seas.eu/en">www.interreg2seas.eu/en</a>	8 calls have already taken place; a total of 69 projects (from the first 7 calls) have been approved overall.	The Programme Monitoring Committee will take a decision on the Call 8 applications in Jan 2020; no further calls are expected.	Hastings BC is a partner in implementing the <i>Sustainable Houses in an Inclusive Neighbourhood (SHINE)</i> project, approved Jul 2016 for completion by Aug 2020.
<b>Interreg</b>	<b>North West Europe:</b> fostering transnational cooperation to make Northwestern Europe a key economic player and an attractive place to work and live, with high levels of innovation, sustainability and cohesion. <a href="http://www.nweurope.eu">www.nweurope.eu</a>	9 calls have taken place since Nov 2015, plus a targeted call on renewable energy; a total of 83 projects have been approved overall.	Applicants to Call 9 will be contacted directly about the Step 2 deadline; awaiting information on subsequent call dates.	Hastings BC is a sub-partner in implementing the <i>Climate Active Neighbourhoods (CAN)</i> project, with Optivo the main partner in Hastings, approved Feb 2016 for completion by the end of 2019; HBC is also a partner in the <i>Public Building in Straw (UP STRAW)</i> project, approved Mar 2017 (length 4 years but build implementation over 1 year, commenced Spring 2019).
<b>Interreg</b>	<b>Interreg Europe:</b> helping regional and local governments across Europe deliver better policy by creating opportunities for sharing ideas and experience <a href="http://www.interregeurope.eu">www.interregeurope.eu</a>	4 calls have taken place between Jun 2015 and Jun 2018; a total of 258 projects have been approved overall.	No further calls will take place.	Hastings BC is a partner in the <i>Delivering Efficient Sustainable Tourism with low-carbon transport Innovations - Sustainable Mobility, Accessibility and Responsible Travel (DESTI-SMART)</i> project, approved Mar 2018 as part of Call 3 and commenced May 2018; HBC will use the funding to explore possible options for low carbon and sustainable transport along the seafront; the project is due for completion in 2022.



A22/A27 Eastbourne/South Wealden Growth Corridor										
LGF Transport	Hailsham / Polegate / Eastbourne Movement and Access corridor	2015/16	2016/17			0.254	0.6	1.258	2.112	1. Sustainable Transport Corridor between Hailsham, Polegate & Eastbourne, part of strategic transport improvements identified to support planned housing & employment growth within the Wealden & Eastbourne Local Plans; 2. Includes improvements for buses to/from Hailsham accessing Polegate Station, the DGH/East Sussex College & Eastbourne Town Centre, plus walking & cycling improvements along the corridor for more local journeys; 3. Business case approved by Accountability Board Feb 2017; 4. Consultation on Phase 1 proposals Sep 2017, results reported to LMTE Jun 2018; 5. Spend currently allocated to detailed design and construction of Phase 1 approved schemes - A2270/Wannock Road/Polegate High Street junction, Eastbourne Road bus lane and Victoria Drive bus lane; 6. Detailed design to be completed in 2019/20 with delivery in 2020/21.
LGF Transport	Eastbourne and South Wealden LSTF walking & cycling package	2015/16	2020/21	0.37	0.6	1.63	0.735	1.765	6.6	1. Package of walking & cycling schemes identified in Eastbourne & Wealden Cycle Strategies to support housing & employment growth in these areas; 2. Business case for extension of first tranche of schemes (£2.6m) approved by SELEP Accountability Board Nov 2015 with spend focussed on Phase 3 of Horsey Way cycle route; 3. Spend in 2018/19 related to design of a number of schemes and the construction of Meads pedestrian improvements (completed); 4. Business case for the remaining £4m approved by Accountability Board Feb 2019; 5. Design work and delivery is being progressed for this package of schemes, including various cycle routes and improvements for pedestrians, through ESCC's capital programme for local transport improvements for delivery in 2019/20 and 2020/21.
LGF Transport	Eastbourne town centre LSTF access & improvement package	2015/16	2020/21	0.55		0.245	4.205	1	8	<u>Phase 1:</u> 1. Business case developed for £3m funding for Terminus Road improvements associated with Armdale Centre (The Beacon) extension, approved by SELEP Accountability Board Apr 2016; 2. Additional £2m LGF allocated to ensure completion of this phase; 3. Works started Mar 2018 with Mildren Construction; 4. Initial phase focussed on Terminus Road section outside the Beacon, opened in parallel with the opening of the first tranche of units in Oct/Nov 2018; 5. Some construction delays due to revised design work and onsite issues, thereby setting the programme back - scheme currently programmed for completion autumn/winter 2019. <u>Phase 2:</u> 1. Following transport study, designs are being developed for next phase of the scheme; 2. Business case approved at Feb 2019 Accountability Board; 3. Preliminary design work completed and consultation on Phase 2a (Terminus Road: Bankers Corner to Langney Road) in autumn 2019.
LGF Transport	A22/A27 Junction improvements	2016/17	2017/18							1. Since the £4m LGF allocation was initially made in 2014, delivery of a number of the junction improvements has been successfully secured from different match funding sources (HE's smaller scale interventions and the HPEMAC); 2. As a consequence and in light of other funding pressures in the overall East Sussex LGF programme, £3m of the £4m was reallocated to other LGF projects in late-2017/early-2018 with TES approval, leaving only £1m available for remaining junctions in this proposed package; 3. Designs have been progressed for the two junctions in Stone Cross as part of the wider package of junction improvements in the south Wealden area in order to support the planned housing growth as set out in the Wealden Local Plan; 4. It became clear from going through design and costing that the £1m available was not sufficient to enable the delivery of any of the junctions within the package without significant additional monies being allocated, and as a consequence East Sussex would not be able to submit a compliant business case that would be accepted by the SELEP's ITE within the timescales required for it to be considered by the Apr 2019 Accountability Board; 5. SELEP advised it's not possible to reallocate the £1m to other projects in the East Sussex LGF programme and therefore the £1m was made available for the LGF Round 3B pot; 6. A Major Roads Network outline business case for £35m was submitted to DfT in Jul 2019 in relation to a package of junction improvements on the A22 corridor which includes these and other junction improvements in the area.

LGF Infrastructure	Swallow Business Park	2015/16	2018/19	0.505	0.895						1.4	1. Planning permission granted for northern & southern parts of site; 2. Business case approved by SELEP Accountability Board Feb 2016; 3. Ground works continue to be progressed, onsite sewerage treatment is being installed and the road through to the far end of the site has been completed; 4. The site's first tenant (VACGEN) has taken possession of the building and is installing production facilities; 5. Construction of the starter units completed and ready for tenants - My Life Bathrooms has occupied Block E; 6. Overall the business park has generated 60 FTE jobs to date and there has been great interest in the units.
LGF Infrastructure	Strategic Site Investment Package (formerly Sovereign Harbour Innovation Park)	2015/16	2021/22	0.53	1.17						1.7	1. Review of projected costs originally allocated to site infrastructure at Sovereign Harbour resulted in a broadening of the scope to also include North Queensway and North Bexhill Business Parks, so investment will enable site infrastructure to be delivered across the three sites; 2. Revised scope approved by Government & the revised full business case approved by SELEP Accountability Board Feb 2016; 3. Works related to this scheme have now been completed at all sites.
LGF Infrastructure	Devonshire Park Quarter Redevelopment	2017/18	2019/20			5					5	1. Scheme approved by SELEP Accountability Board Mar 2017, now into construction phase using leverage funding provided by Eastbourne BC; 2. Accelerated spend approved by Accountability Board Nov 2017 and it was allocated £5m for 2017/18; 3. Congress Theatre completed and opened Mar 2019 with an inaugural concert by the London Philharmonic Orchestra; 4. Construction of the Welcome Building is now complete; 5. Site open Jun 2019 with first conferences from Oct 2019; 6. Theatre ticket sales are going well with £700k+ already achieved, some 22% of the annual sales target.
<b>TOTAL</b>											24.812	

**Newhaven Maritime and Clean Tech Growth Corridor**

LGF Infrastructure (C2C funded)	Newhaven Port Access Road	2016/17	2018/19				7.5	2.5			10	1. Identified by DfT as one of their 'portfolio' schemes meaning they retain overall decision-making responsibilities for approving the release of LGF monies; 2. £13m also allocated in ESCC's capital programme towards scheme; 3. First phase completed as part of the Eastside development; 4. Tender completed, BAM Nutall identified as preferred contractor; 5. Value engineering exercise undertaken, scheme including ancillary costs can be funded within overall £23.2m budget; 6. Business case for £10m approved by DfT Aug 2018; 7. Construction started Jan 2019 with a 19 month construction period.
LGF Infrastructure (SE LEP & C2C funded)	Newhaven Flood Alleviation Scheme	2016/17	2017/18	0.3	0.8	0.4					1.5	1. Environment Agency led scheme to reduce flood risk in Newhaven and recognise wider benefits in encouraging regeneration in the town; 2. £10m from EA and £1.5m from C2C as well as SELEP funding; 3. Contracts signed Mar 2016; 4. EA appointed main contractor Jackson Hyder to produce detailed designs and construct flood defences; 5. Construction started Nov 2016, scheduled to be completed late-2019/early-2020; 6. Construction constraints in the port area required EA to review final design proposals in consultation with ESCC on flood risk; 7. Area 1 embankments & tie-ins and areas 2, 3, 4 & 5 complete; 8. Area 5 Fishmarket Corner currently being constructed; 9. Area 1 barrier has ongoing risks due to Network Rail negotiations.
<b>TOTAL</b>											11.5	

**Pan LEP**

LGF Pan-LEP	Housing Regeneration Project (Hastings)	2016/17	2017/18			0.667					0.667	1. Offer of £2m LGF from original £10m ask was made as part of the Growth Deal 'expansion' in Jan 2015; 2. Pan-LEP project includes Hastings, Thanet & Tendring so the East Sussex share of the £2m is approx £666k; 3. Bid documents recast to reflect £2m offer and the revised business case was approved by Accountability Board Feb 2017; 4. Hastings BC partnered with Amicus Horizon in a major intervention programme, 'CoastalSpace', involving acquisition & refurbishment of properties in St. Leonards; 5. A new property was selected following the destruction of the property originally identified in the business case, approved by Accountability Board Sep 2017; 6. Grant agreement between ESCC & HBC signed Nov 2017 and the property purchased; 7. All LGF funds have now been defrayed to the project partner; 8. Housing association Optivo has taken possession of the property and is developing a plan for full refurbishment to create 16 social housing units as part of the CoastalSpace programme.
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LGF Skills / Skills Capital and Equipment Funds									
Plumpton College	2019/20	2020/21							
Sussex Downs College (now East Sussex College Group)	2016/17	2017/18	0.075						2.917
Sussex Downs College (now East Sussex College Group)	2016/17	2017/18	0.16						0.075
Plumpton College	2016/17	2017/18	0.14						0.14
Plumpton College	2016/17	2017/18	0.088						0.088

1. LGF-3B allocation agreed by Investment Panel Mar 2019; 2. Business Case approved by SELEP Accountability Board Jun 2019; 3. Grant agreement currently being drafted to transfer funding to Plumpton College; 4. Second detailed stage of planning permission commenced Nov 2019.

1. Specialist industry-relevant equipment supporting a new STEM Centre enabling delivery of 35 new apprentices per annum in Laboratory Technician, Science Manufacturing Technician, Laboratory Scientist and Science Industry Maintenance Technician qualifications from 2017/18; 2. East Sussex College has now made the final claims for this scheme.

1. East Sussex College (formerly Sussex Downs College) awarded £159,400 towards total project costs of £478,320 (33%) in Round 1 for refurbishing the reception/hub of the new STEM Centre and an alteration to the existing Science Laboratory at their Lewes Campus; 2. Work completed so now in delivery; 3. Due to negotiations with builders/subcontractors overall costs reduced, so SELEP's 33% contribution also reduced to £80k resulting in a surplus of £79,440; 4. SELEP Accountability Board agreed Jan 2017 that the college could utilise the £79k underspend for their broader project, enhancing the first floor laboratory, subject to full application and approval by the Board; 5. Application for £39,515 approved by Accountability Board May 2017, with remaining unused funds returned to LGF programme for later allocation.

1. Scheme is complete and has been fully claimed.

Growing Places Fund - loan funding									
GPF	2017/18	2018/19							
Eastbourne Fishermen's Quay	2017/18	2018/19							1.15
GPF	2017/18	2018/19							1.15
Charleston Centenary	2017/18	2018/19							0.12

1. Project approved at Dec 2017 Accountability Board; 2. Before land purchase could be completed Carillion went into administration and Administrators sold the freehold to Premier Marinas who were not willing to sell it on; 3. As an alternative the lease of the land over 75 years with peppercorn rent was offered, presenting a feasible option to enable the delivery of the project; 4. Project change request from land-purchase to a long lease will not impact outcomes of the project as stated in the Business Case, nor the cost of delivery; 5. Change of scope noted at the Sep 2018 Accountability Board; 6. Ground investigations completed, no complications discovered and build can progress within parameters of original plan; 7. Terms of leasehold provisionally signed-off by Premier Marina's board Feb 2019; 8. Preferred project contractor went into administration early 2019 resulting in new contractor procurement process needing to be done; 9. New contractor is in place and costs have risen slightly from original contractor's bid, but EU10CIC have secured increased grant from EMFF to cover the difference; 10. Start date Jul 2019 with completion still due by Mar 2020.

1. The project's physical outputs comprise a new café-restaurant facility in the converted Threshing Barn with more than twice the covers of the previous café, an auditorium and education space in the adjoining converted Hay Barn and completely new Wolfson gallery spaces with retail foyer; 2. To support these developments there is improved separate access to the Charleston site and a significantly enlarged and improved car park with landscaping; 3. GPF elements of scheme complete - Charleston Centenary has met forecast jobs figure for the project and monitoring continues for post-delivery benefits realisation; 4. Latest project update indicates that completion of the project has enhanced the potential for secondary spend and offers a new attraction to the Charleston site which is independent of the house, potentially appealing to a wider market.

Other: Coast to Capital LEP Funded Schemes										
C2C LGF	Newhaven Eastside South	2016/17	2020/21				0.4	1.2	1.6	1. Work on Eastside South progressed well with all piling now complete; 2. Phase 1 (2,360m <sup>2</sup> ) now complete; 3. Phase 2 commenced Apr 2018 with strong interest shown by potential tenants; 4. Blocks A,B,3,4 complete with a current total of 5,851m <sup>2</sup> - a strong level of demand continues to be demonstrated.
C2C LGF	Railway Quay	2016/17	2020/21				1.5		1.5	1. Purchase of Railway Quay completed by Lewes DC Apr 2017; 2. Lewes DC commissioned Cushman & Wakefield to undertake a Market Demand Study looking at potential development options for the site, with a report produced Jun 2017; 3. Lewes DC is now considering which of the development plan options to take forward (a variation of one seems the most viable), although this has been delayed by ongoing discussions over the future of the UTC with the Dept for Education.
C2C LGF	Springman House	2016/17	2019/20				2		2	1. Lewes DC completed purchase of Springman House Mar 2017; 2. Lewes DC Cabinet authorised design & construction of the new fire station in Jun 2017; 3. Corstophine & Wright architects appointed to design the blue light facility; 4. Architect currently working with ESFRS to finalise design/layout for the new fire station; 5. Once the new fire station has been completed ESFRS will transfer the freehold of the site of their existing fire station to Lewes DC to allow for delivery of the North Street Quarter scheme; 6. Marketing for a developer for the wider NSQ scheme commenced Jun 2019; 7. Final draft designs currently being completed - a meeting is scheduled with ESFRS early Dec 2019 and then the design has to be signed-off by each of the blue light partners.
C2C LGF	Charleston Centenary	2017/18	2018/19					0.4	0.4	1. The grant has supported the various parts of the Centenary project including facilities for the barn renovation, specialist catering and exhibition equipment and landscaping of the grounds to help attract over 50,000 visitors per year and introduce them to Charleston's cultural offer.

# Economic update - November 2019

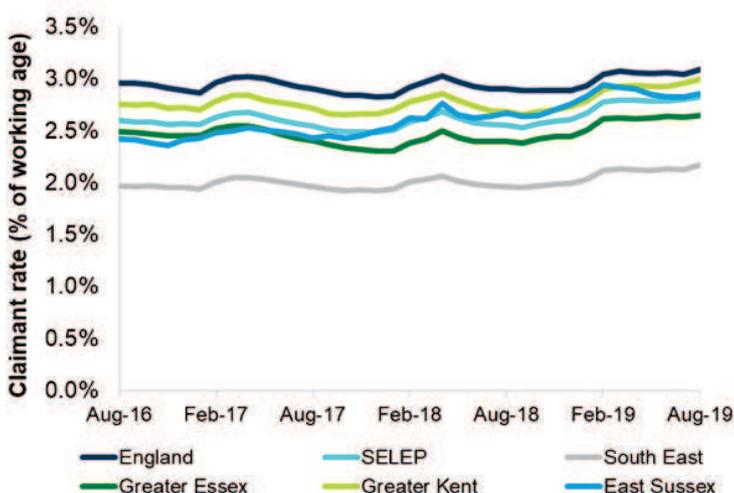
## Key points

- The economy of East Sussex generated £10.7 billion in 2017, or £19,348 per head. Total GVA has increased by 23% since 2012.
- Wholesale, Retail and Motors; and Health and Social care are the most important sectors in terms of the numbers employed and GVA generated (if we exclude GVA from owned property).
- There were 2,415 new businesses started in 2017 and the number of active businesses increased by 1.2% from 2016, but the rate of business formation is slowing.
- In terms of business numbers, the fastest growing sectors are: Business administration and support (up 29% since 2014), Construction (up 25%), and Finance and insurance (up 21%).
- The county has a slightly lower working-age employment rate, and higher rates of self-employment and part-time working than average for the country as a whole.
- The Alternative Claimant Count (ACC) rate\* in the county has been stable for the last few months but numbers rose in August and the rate rose to 2.9%. The rate remains below the national average but change is more volatile than the national picture (see chart below).
- Between 2017 and 2022 there is projected to be an increase in the number of people in the East Sussex labour force, but most of these new workers will be in the oldest (60+) age group.

## Labour market & skills



Alternative Claimant Count (ACC)\*<sup>1</sup>,  
August 2016-2019



\* the ACC is a new measure from DWP which includes estimates of those additional claimants who would have been searching for work under Universal Credit had it been rolled out in that area at the time, together with unemployed people claiming Jobseekers Allowance (JSA) and Universal Credit (UC). It includes people such as partners of claimants, and those who previously would have only received Housing Benefit or Child Tax Credits, and replaces the previous Claimant Count.

jobcentreplus

**9,086 claimants**

(Alternative Claimant Count\*<sup>1</sup> see below) in East Sussex, August 2019

**2.9%** of the working age population  
Slightly lower than England (3.1%)

**↑ 7.1%** since August 2018  
Compared to 6.4% in England

### Links to pages:

[Page 2: Labour market](#)

[Page 3: Skills](#)

[Page 4: GVA](#)

[Page 5: GVA and productivity](#)

[Page 6: Businesses](#)

[Page 7: Businesses](#)

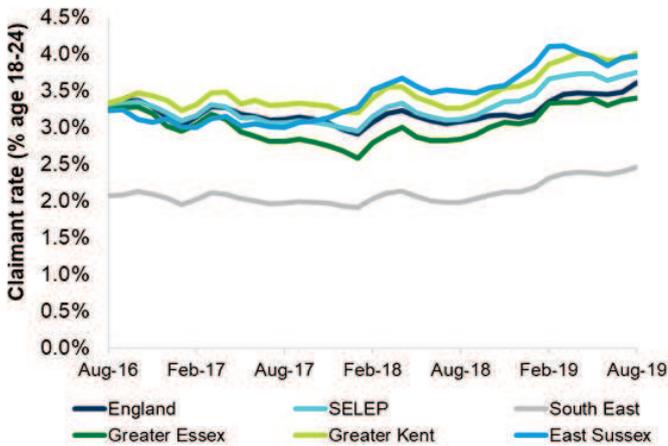
[Page 8: Growth measures](#)

[Pages 9 and 10: Further information](#)

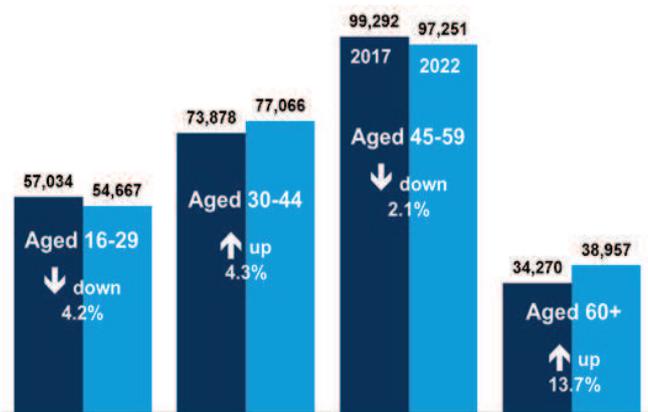
Details and links for all sources can be found at the end of the briefing

# Labour market

## ACC among young people aged 18-24\*<sup>1</sup>, August 2016-2019



## Workforce projections (dwelling led) for East Sussex, 2017-2022<sup>3</sup>

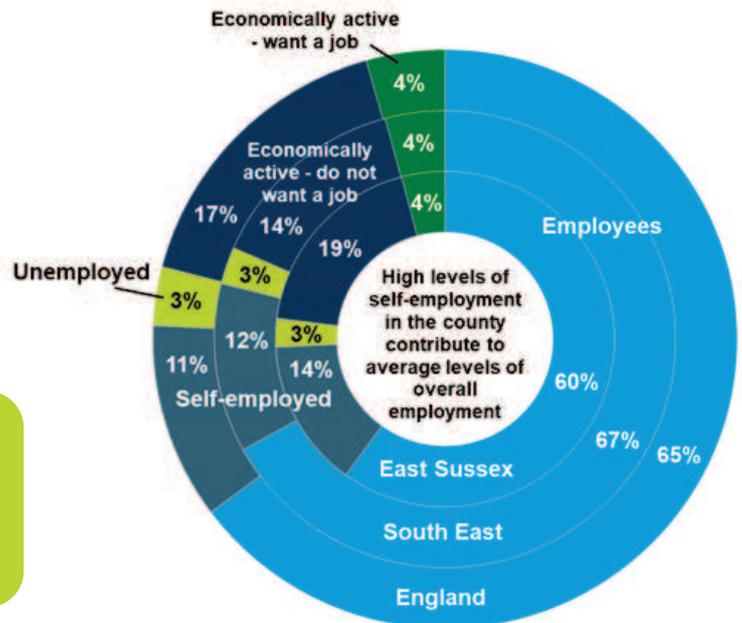


### Workforce projections<sup>2</sup>

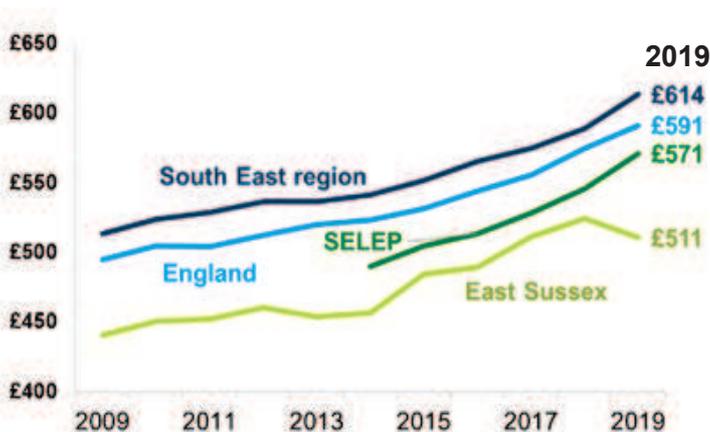
The East Sussex labour force is projected to grow by 1.3% between 2017 and 2022. But whereas numbers of younger workers aged 16-29 are expected to fall by 4%, there is projected to be a rise in workers aged 60+ of 14%, as baby boomers age and pension ages rise.

- At 74.3%, the East Sussex employment rate<sup>5</sup> is slightly below average (England 75.8%) with comparatively high levels of self-employment and people working part-time<sup>4</sup>.
- The Alternative Claimant Count (ACC)\* rose in the month to August 2019 in line with the national trend and is now 7% higher than in August 2018<sup>9</sup>, compared to a 6% increase nationally. The youth rate in the county remained stable in August 2019 at 4.0% but compares to 3.6% nationally, and numbers are up 14% since August 2018.
- Average earnings for full-time jobs in the county are £80 per week lower than the national average, and fell in 2019.
- A lower proportion of the county's residents have higher level qualifications compared to national and regional populations, but a lower proportion have low or no qualifications.
- A higher percentage of the county's workers are part-time - 38.6% against a national average of 32.0%.<sup>4</sup>

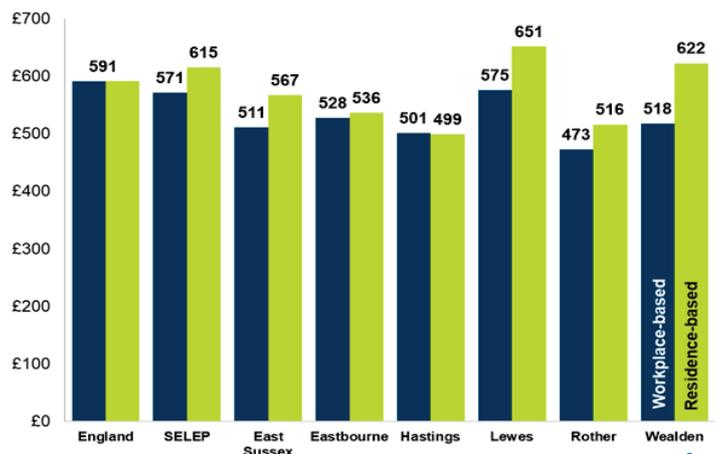
## Economic activity and inactivity in the year to June 2019<sup>3</sup>



## Workplace-based median full-time weekly earnings, 2009-2019<sup>5</sup>

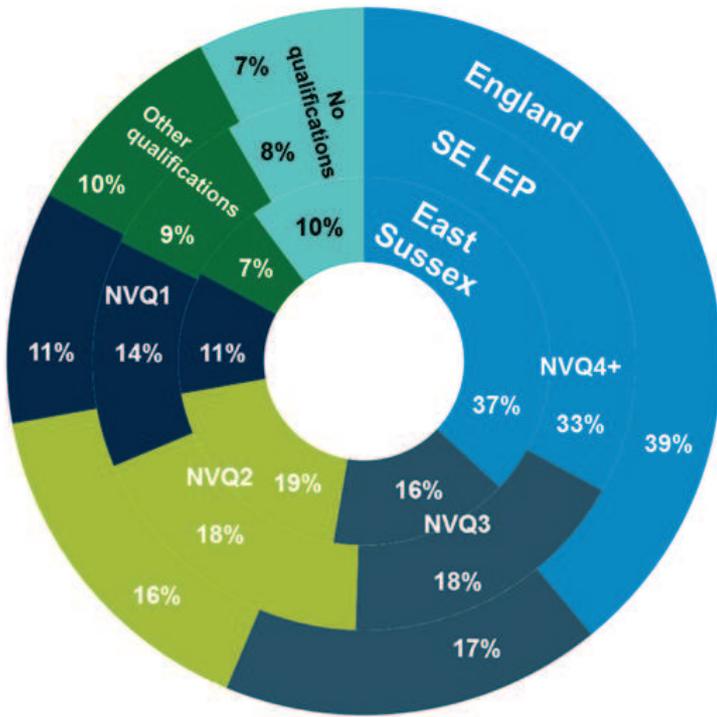


## Average (median) weekly earnings in 2019, by district<sup>5</sup>



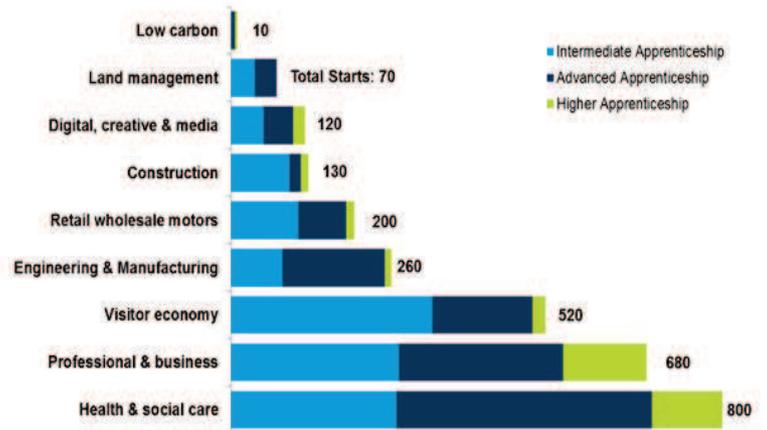


## Qualifications of the working age population (highest qualification), December 2018<sup>6</sup>

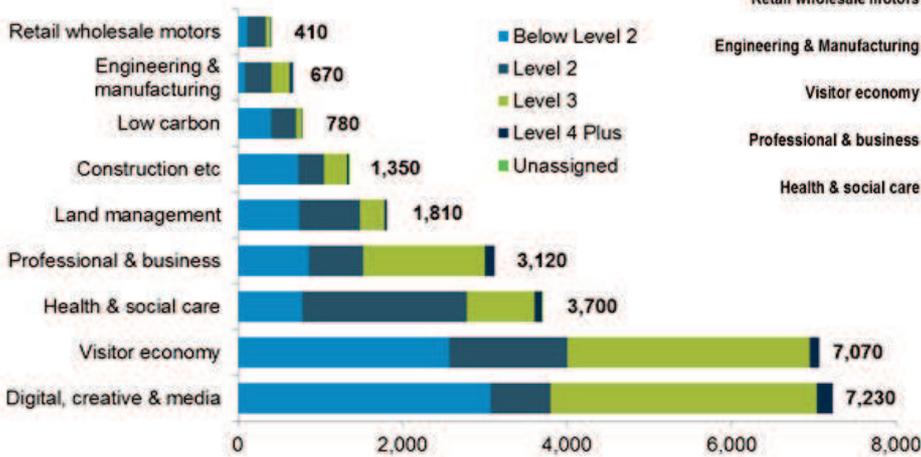


- East Sussex has a lower proportion of people with Level 4 qualifications (degree and equivalents) and a higher level of people with no qualifications than in the national average (England).<sup>6</sup>
- But the proportion of people with Level 4 is even lower in the SELEP as a whole.

## Apprenticeship starts by Priority Sectors, East Sussex learners, 2017/18<sup>7</sup>



## Further Education starts by priority sector, East Sussex learners, 2018<sup>7</sup>



Note that the priority sectors may overlap e.g. the Retail sector features as part of the Visitor economy as well as being part of the Wholesale, retail and motors sector.

In 2017/18 there were **25,430** people participating in FE and learning in East Sussex<sup>8</sup>

In 2017/18 there were **2,810** apprenticeship starts in East Sussex<sup>8</sup>

28% fewer than 2016/17

SELEP down by 20%

In 2017/18 there were **2,150** apprenticeship achievements in East Sussex<sup>8</sup>

6% more than 2016/17

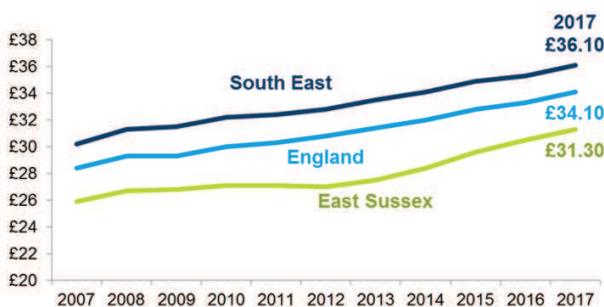
SELEP down by 1%

# Gross Value Added

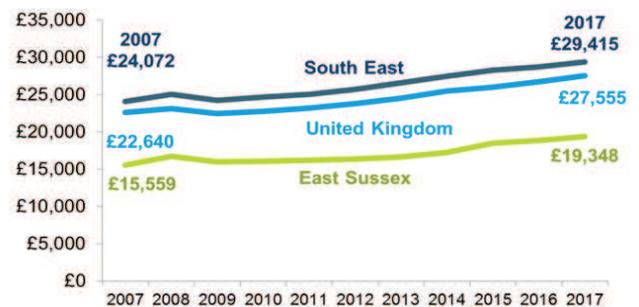
- GVA per head has grown by 24.3% in the county since 2007, slightly higher than growth of 21.7% in the UK as a whole and 22.2% in the SE region<sup>9</sup>.
- Growth of GVA per head in the county was lower than average for the UK in 2016/17 (up 2.5% compared with 3.0% nationally) but was higher than in 2015/16 (2.0% against 2.9% nationally)<sup>9</sup>
- While Real estate is the largest sector in the county at 20% of GVA, if we take out 'Owner-occupied imputed rental' (OOIR), which reflects property prices in an area, Wholesale, retail and motors, and Health and social care are the largest sectors.
- There is much variation at district level, especially when OOIR is not included. For example, Finance and insurance make up nearly a quarter of the GVA of Rother, compared to 0.5% in Lewes
- The Other service activities sector grew most strongly in the year 2016-2017, by 23%. It accounts for 3% of the county's GVA. The slowest growing sector was Arts, Entertainments and Recreation, which fell by 12% in the year, following a contraction of 9% the previous year.



**GVA per hour worked, 2007-2017<sup>9</sup>**



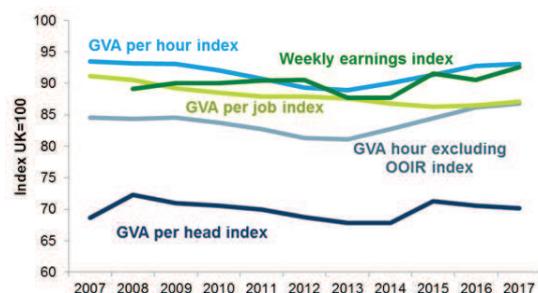
**GVA per head, 2007-2017<sup>9</sup>**



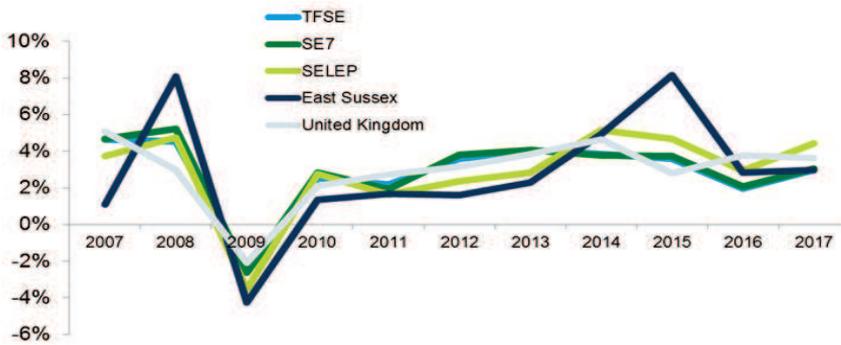
**GVA per head in 2017 by district, SE LEP and other geographies<sup>9</sup>**



**Productivity and earnings measures compared - East Sussex indices where UK=100<sup>5,9,10</sup>**



Year on year change in GVA is more volatile in the county than at other geographies.



4 sectors account for nearly half of total GVA in East Sussex:



Real Estate - including owner occupiers imputed rental (20%)



Wholesale, retail & motors (11%)



Health (9%)



Construction (8%)

Gross value added by sector (excluding ODIR) in 2017<sup>9</sup>



If we exclude ODIR<sup>†</sup>, different sectors make a higher than average contribution to GVA in the districts:

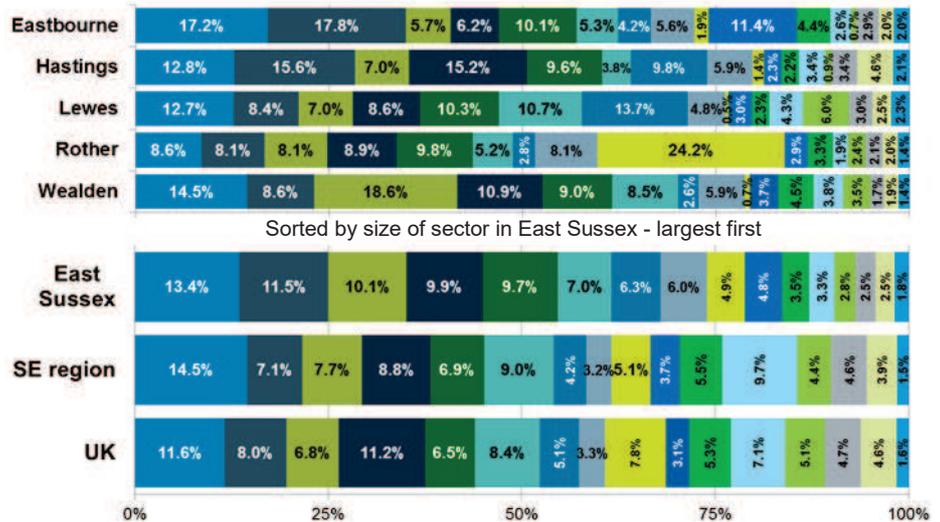
**Eastbourne:** Wholesale, retail etc (17.2%); Health (17.8%)

**Hastings:** Health (15.6%); Manufacturing (15.2%)

**Lewes:** Public admin etc. (13.7%); Prof, Sci, Tech (10.7%)

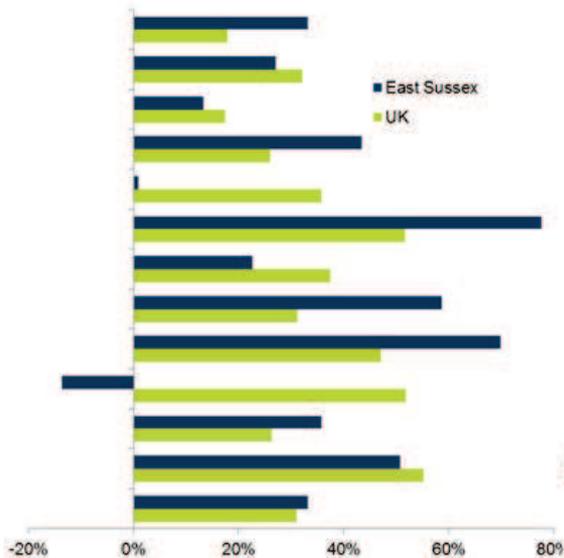
**Rother:** Finance and insurance (24.2%); Education (9.8%)

**Wealden:** Construction (18.6%), Wholesale, retail etc (14.5%)

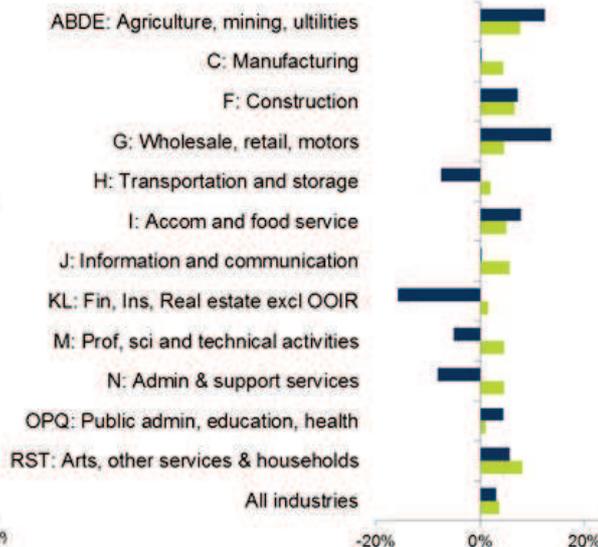


<sup>†</sup> see end notes for full definition of 'owner occupied imputed rental'

Long-term change in GVA 2007-17



Short-term change in GVA 2016-17<sup>9</sup>

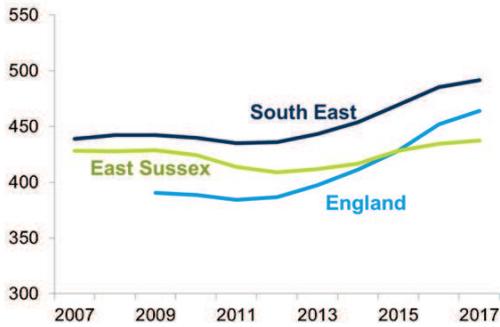


Change in GVA by industry varies significantly over time. Some sectors which saw significant growth over a 10 year period have shown a decline more recently.

# Businesses

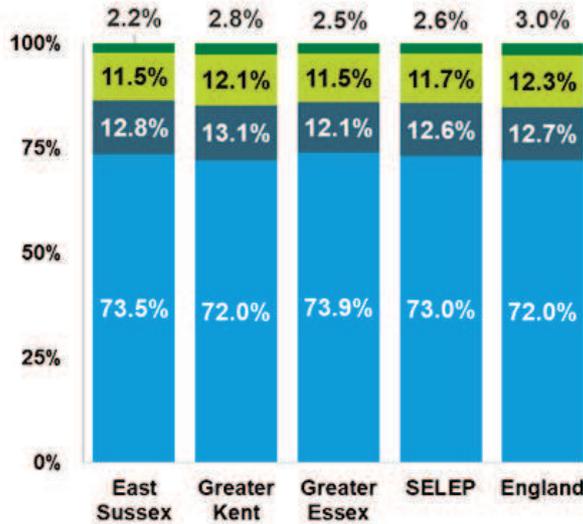


## Active businesses per 10,000 population<sup>11</sup>



East Sussex has fewer businesses than average for the region and growth is slowing

## Business size in 2019<sup>12</sup>



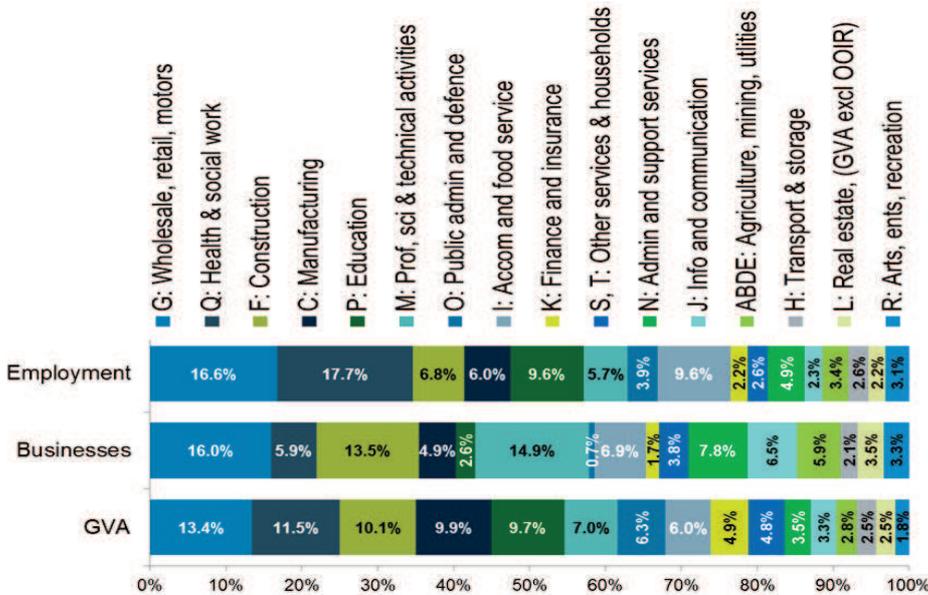
**86.2%** of businesses in the county have fewer than 10 employees (National figure 84.7%)

**73.5%** have fewer than 5

East Sussex economy characterised by high proportion of very small businesses

## East Sussex SIC sections: GVA (excl OOIR), Employment (2017) and Businesses (2018)

Ordered by largest GVA in 2017



- The relationship between the number of businesses, employment and the GVA generated by a sector is not straightforward.
- The largest sector, measured by GVA (excl OOIR) is Wholesale, retail and motors (13.4%), which also accounts for the biggest proportion of businesses.
- The second largest sector in terms of number of businesses is Professional, scientific & technical activities, (15.0%) but these account for only 7.0% of GVA (excl OOIR), and just 5.7% of employment.

## Fastest growing sectors in the county<sup>12</sup> (2014-2019)



Business administration and support services - up 29% (England up 41%)

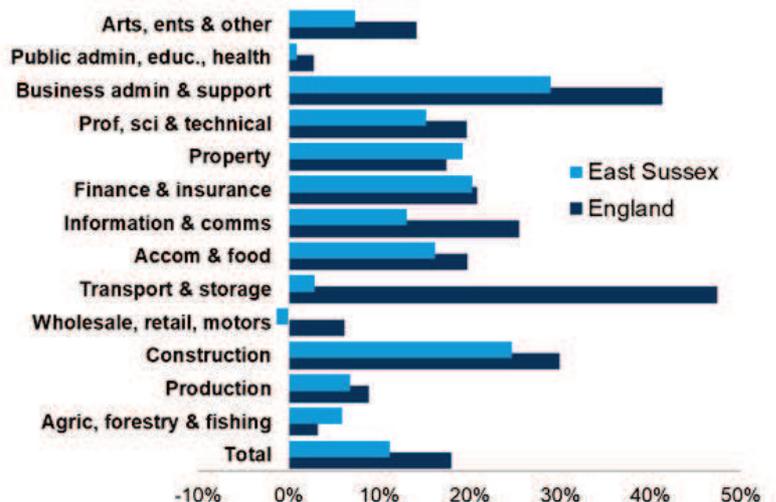


Construction - up 25% Lower than national rise (England up 30%)



Finance & Insurance - up 20% (England up 21%)

## Percentage change in businesses by sector 2014-2019<sup>12</sup>



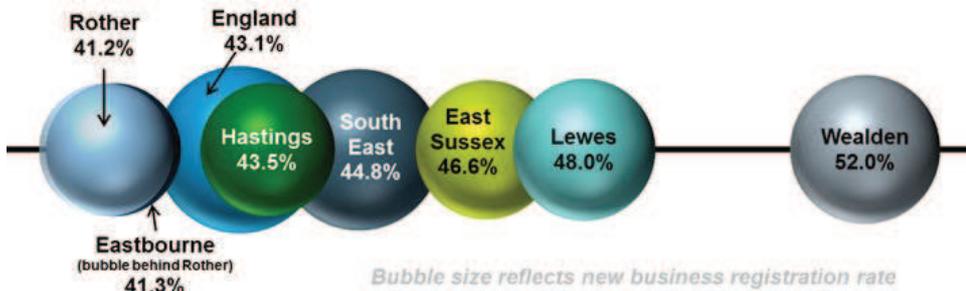
# Business starts, closures and survival

**24,170**  
active businesses in East Sussex in 2017 - highest since **2004<sup>11</sup>**

- ◆ 1 in 10 of these were new start-ups
- ◆ That's 2,415 new businesses
- ◆ But 7% fewer new businesses than in 2016
- ◆ And new business registration rates down again

**Active businesses**  
**Up 11%**  
since 2012,  
**up 1.2%**  
since 2016

**46.6% of businesses in East Sussex started in 2012 survived their first five years**  
5 year business survival rates for the county are higher than the England average<sup>11</sup>:

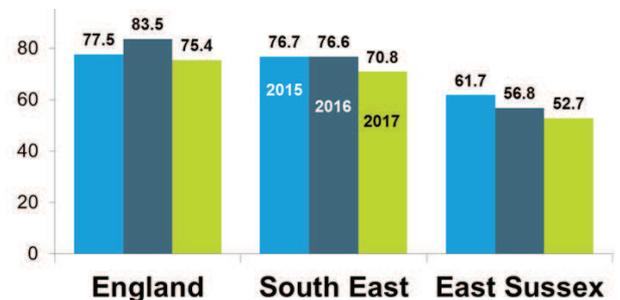


- 290 more active businesses in 2017 (24,170) than in 2016 (23,880).
- New business growth slower - 175 fewer new business starts than in 2016 and only slightly more business starts (2,415) than closures (2,385) in 2017.<sup>11</sup>

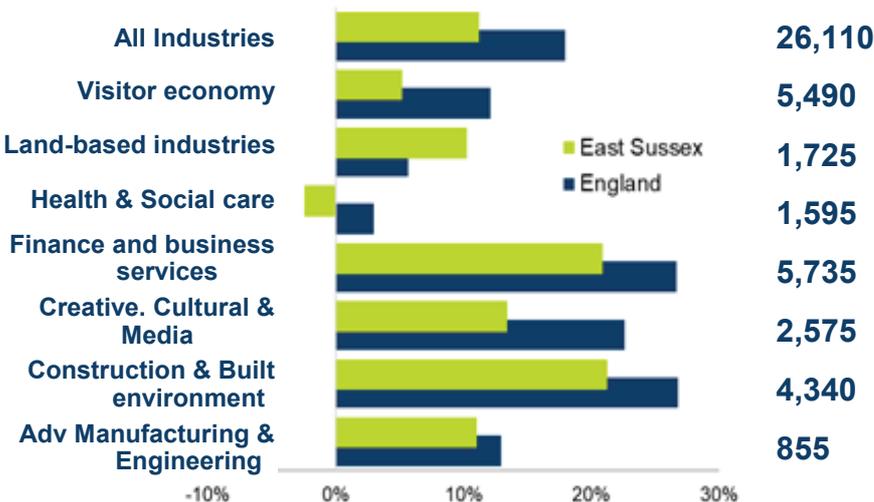
## Business births and deaths in East Sussex 2007-17<sup>11</sup>



## New business registration rates 2015-17<sup>11</sup>



## East Sussex priority sectors: percentage change in number of businesses, 2014-2019<sup>12</sup>



### East Sussex

- The finance and business services combined sector is the largest of the priority sectors (as defined in the growth strategy), with Visitor Economy businesses forming the next largest group.<sup>9</sup>
- Growth in most priority sectors was slower between 2014 and 2019 than in the country as a whole (note that some SIC sector divisions occur in more than one priority sector)

Second lowest of all counties/UAs in the South East

# Table of targets

Growth measures – November 2019	2013	2014	2015	2016	2017	2018	2019	2020
Contribute to unlocking key employment floor space allocated in Local Plans (Square metres)		Havelock Place 2,248	Glovers House and Sovereign House 4,690		Swallow Business Park 3,409	Newhaven Eastside (South) Business Park 2,322	DPQR Welcome Building 2,650 High Weald Hse 2,385 Newhaven Eastside 3,529	
Achieve average annual housing completions of 1,504 in East Sussex to 2020 in accordance with our Local Plans <small>(Source: East Sussex County Council On-line Housing Monitoring Database)</small>	1,298 (2012-13 data)	1,208 (2013-14 data)	1,358 (2014-15 data)	1,509 (2015-16 data)	1,446 (2016-17 data)	1,316 (2017-18 data)	1,734 (2018-19 data)	Data due: September 2020
Increase GVA per capita by 20% by 2020 <small>(Source: Office for National Statistics)</small>	£16,627 +21.9% 2003-13	£17,264 +22.0% 2004-14	£18,517 +26.2% 2005-15	£18,882 +21.6% 2006-16	£19,348 +24.3% 2006-16	Data due: December 2019		
Maintain the employment rate for East Sussex at a higher level than the England rate to 2020** <small>(Source: Annual Population Survey/Labour Force Survey, NOMIS/ONS)</small>	70.7% -0.4% points lower than England (June)	75.3% +3.3% points higher than England (June)	74.0% +0.8% points higher than England (June)	73.8% -0.2% points lower than England (June)	74.8% +0.2% points higher than England (June)	74.6% -0.6% points lower than England (June)	74.3% -1.5% points lower than England (June)	Data due: November 2019
Maintain the Claimant Rate for East Sussex at below the England rate to 2020 <small>(Source: Office for National Statistics/ NOMIS)</small>	2.9% -0.8% points lower than England (April)	2.1% -0.6% points lower than England (April)	1.5% -0.4% points lower than England (April)	1.4% -0.4% points lower than England (April)	1.6% -0.3% points lower than England (April)	2.2% Equal to England rate (April)	2.6% Equal to England rate (April)	Data due: May 2020
Maintain the Alternative Claimant Rate for East Sussex at below the England rate to 2020 <small>(Source: Department for Work and Pensions/StatXplore)</small>	4.4% -0.9% points lower than England (May)	3.5% -0.7% points lower than England (May)	2.8% -0.5% points lower than England (May)	2.5% -0.6% points lower than England (May)	2.5% -0.5% points lower than England (May)	2.7% -0.3% points lower than England (May)	2.9% -0.2% points lower than England (May)	Data due: October 2019
Increase the percentage of working age residents in East Sussex with a Level 4 qualification to at least 35% by 2020** <small>(Source: Annual Population Survey, Nomis/ONS)</small>	32.4% -2.5% points lower than England (Jan-Dec)	36.6% 0.9% points higher than England (Jan-Dec)	30.9% -5.8% points lower than England (Jan-Dec)	34.0% -3.8% points lower than England (Jan-Dec)	37.7% -0.5% points lower than England (Jan-Dec)	37.0% -2.0% points lower than England (Jan-Dec)	Data due: April 2020	
Reduce the percentage of working age residents in East Sussex with no qualifications and qualified only to NVQ1 to below the England level by 2020** <small>(Source: Annual Population Survey, Nomis/ONS)</small>	23.5% +2.2% points higher than England (Jan-Dec)	19.4% -1.2% points lower than England (Jan-Dec)	23.2% +3.2% points higher than England (Jan-Dec)	22.5% +3.4% points higher than England (Jan-Dec)	15.5% -3.0% points lower than England (Jan-Dec)	20.9% -2.7% points higher than England (Jan-Dec)	Data due: April 2020	

\*\* At sub-regional level the APS is subject to sampling variability which means that the data is not very reliable. The ONS provide confidence intervals for APS data, but at even county level these intervals can be very broad, for example, for people with Level 4 qualifications, for Jan-Dec 2018, the confidence interval for East Sussex was 3.4%, meaning that there is a 95% chance that the true figure could lie anywhere between 37.0 ±3.4 i.e between 33.6% and 40.4%. This explains why there appear to be wild swings in the data.

## Further information and sources

This publication is produced as an aid to understanding the mechanisms at work in the economy of East Sussex. The sources for all the data are given in this section.

### Labour Market and Skills

<sup>1</sup> The Alternative Claimant count is now available on the DWP's website [StatXplore](#), and is also published, with rates, on [ESiF](#). This table includes estimates of those additional claimants who would have been searching for work under Universal Credit had it been rolled out in that area at the time, together with those unemployed people claiming JSA and UC. The ONS withdrew the Claimant Count from their national Labour Market Statistics Bulletin in March 2017, stating that the Claimant Count was no longer a reliable economic indicator. This new measure gives an improved measure of the number of unemployed and removes changes in the claimant count which are solely due to changes in the benefit system. The previous Claimant Count numbers are produced by the Department for Work and Pensions (DWP) and published on [Nomis](#) together with data on claimants of other DWP benefits. Other claimant data can also be found on the DWP's [StatXplore](#) website.

<sup>2</sup> Workforce projections data is produced by the Research and Information Team of East Sussex County Council using the PopGroup family of population projection modelling software alongside a full suite of dwelling-led population projections, which take into account planned housing development in the county, provided by the districts and boroughs. They are published on [East Sussex in Figures](#).

<sup>3</sup> Employment data is sourced from the Annual Population Survey (APS) which is published by the ONS on the [Nomis](#) website. Note that sample variability means that some APS data is not very reliable.

<sup>4</sup> Data on part-time and full-time working is obtained from the Business Register and Employment Survey (BRES) which is also published by ONS in [Nomis](#).

<sup>5</sup> Earnings data is from the Annual Survey of Hours and Earnings which is published by ONS and is available on the [Nomis](#) website. We have mostly used workplace-based median earnings which gives earnings for jobs based in the area, but residence-based data is also given in the table, which is the earnings of those living in the area.

<sup>6</sup> Qualifications data is from the Annual Population Survey (APS) which is published by the ONS on the [Nomis](#) website. Note that sample variability means that some APS data is not very reliable.

<sup>7</sup> Detailed data on Further Education (FE) starts and apprenticeships is from the SE LEP Datacube. Data is rounded to ensure no personal details of individual learners are disclosed.

<sup>8</sup> Broader participation data for [FE](#) and [apprenticeships](#) comes from the FE Data Library, on the Gov.UK website.

### Gross value added

<sup>9</sup> Gross value added (GVA) data is released annually by the [Office for National Statistics \(ONS\)](#), and GVA per head is calculated using [ONS mid-year-estimate data](#). GVA is a measure of the increase in the value of the economy due to the production of goods and services. Estimates are measured at current basic prices, which include the effect of inflation. The data ). Please ensure you use only the most recent data as previous years' data is revised with the latest release. Owner-occupiers' imputed rental is an estimate of the housing services consumed by households who are not actually renting their residence. It can be thought of as the amount that non-renters pay themselves for the housing services that they produce. See [ONS website](#) for more information.

<sup>10</sup> GVA per hour worked data is obtained from the [ONS' Sub-regional productivity](#) tables. When assessing regional economic performance, it is recommended that the best measure of productivity is this data, rather than GVA per head or per job. This is particularly important when there are large net commuting flows into or out of an area, as is the case in East Sussex.

GVA per head relates the value added by production activity in an area to the resident population of that area, and thus is subject to distortion due to effects of commuting and variations in the age distribution of the population. Small areas, such as local authorities, can be subject to very large distortions and this should be borne in mind when interpreting the statistics as an indicator of relative economic prosperity. GVA per head is thus not a good measure of productivity.

GVA per job is also not the best measure of productivity because we have to consider the impact of a higher proportion of part-time jobs.

## Businesses

<sup>11</sup> The Office for National Statistics (ONS) provide data on active businesses, start-ups and closures in the annual '[Business Demography](#)' series. These national statistics are compatible with EU wide business demography data. 1-5 year survival rates are also included with this data. All new business registration rates are calculated by the Research and Information Team using the latest available mid-year estimate population data from the ONS, and are published on [ESiF](#).

<sup>12</sup> The [UK Business: Activity, Size and Location](#) (UK BASL) dataset from the ONS uses data from the Inter-departmental Business Register (IDBR) to report the total number of businesses. This is the most up-to-date source for data about business activity at local authority level and gives details of both the number of business enterprises and the number of local units. Data is available by industrial sector, business size (in terms of number of employees), annual turnover and age of business (years of trading). Some of the data is also published as 'UK business counts' in the Nomis website. Data for East Sussex and districts has been published in [ESiF](#).

Business Demography counts differ from those given in UK BASL because the Business Demography methodology takes into account businesses that were active at any time during the reference calendar year, whereas UK BASL numbers are based on a snapshot taken from the IDBR on a specific date at the end of March of the relevant year. As a result, numbers in the Business demography dataset are higher than those given in UK BASL.

There are a number of other sources of business data available. For more information about business data sources and how the data can be used, see our [data note](#).

For further information about GVA, sub-regional productivity, Business Demography and UK BASL data, visit the [ONS website](#).

[East Sussex in Figures](#) has detailed data about [GVA](#), [GVA by industry](#), [productivity](#), [business demography](#) and [business activity](#), [economic activity rates](#), [full- and part-time working](#), [workplace median earnings](#), [alternative claimant count](#), [claimants of Universal Credit and JSA](#) and [workforce projections](#).

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## Contact details

The Research and Information Team, Chief Executive's Office provides demographic and socio-economic data, intelligence and insight to support East Sussex County Council and other East Sussex Partners. The Team also manages East Sussex in Figures (ESiF), the Local Information System for East Sussex.

ESiF is a web-based information system that contains detailed, up-to-date and reliable information on a very wide range of topics. It is free and very easy to use and puts individual users in control. ESiF lets you specify exactly what data you want to see (for the places and time periods you are interested in) and how you want to view it (as a table, chart or map).

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